not forget, that some of those who now hail the recent developments are precisely those who sought for years to stop them.

It is not unprecedented to see men make a virtue of necessity. Today, the necessity for virtue has been created by a stalwart thwarting of efforts to subvert our charter. If we want to see that virtue continue, I suggest that it may be prudent to continue what has produced it.

Steadfastness to principle and sacrifice for principle are the proven price of the good that we have won. It would be reckless to expect further good at any lesser price. To achieve peace with justice, peace with sovereignty for nations great and small, peace with respect for human beings without regard to class, will require sustaining the effort, the sacrifice, the solidarity which has brought us where we are today. Much has been accomplished, but more, much more, remains.

There exists the problem of German unification. For 10 years, part of Germany has been severed from the rest. That unnatural division of a great people constitutes a grave injustice. It is an evil which cannot be indefinitely prolonged without breeding more evil to plague the world.

In Eastern Europe are nations, many with long and proud record of national existence, which are in servitude. They were liberated from one despotism only to be subjected to another, in violation of solemn international undertakings.

In Asia, there is a Chinese Communist regime which became an aggressor in Korea, for which it stands condemned by the United Nations. It promoted aggression in Indochina, and has used force and the threat of force to support its ambitions in the Taiwan area. Recent developments, including the influence of the Bandung Conference, suggest that the immediate threat of war may have receded. Let us pray that this is so. But the situation in Asia remains one that cannot be regarded with equanimity.

Also, we cannot forget the existence of that apparatus known as international communism. It constitutes a world-wide conspiracy to bring into power a form of government which never in any country, at any time, was freely chosen by the people, and which destroys the reality of independence. At Caracas last year the Organization of American States found that the activities of international communism constituted alien intervention in the internal affairs of nations, and were a threat to international peace and security. This threat should end.

Finally, there is the urgent problem of limiting the crushing burden of armaments. For many years the United States and its friends have sought to find ways to carry out the mandate of the charter to reduce the diversion for armaments of the world's human and economic resources. Nearly a decade ago, the United States made a proposal to internationalize atomic energy. This, if accepted, would have prevented the present competitive production of these weapons of awesome destructive power.

This unprecedented proposal was made at a time when the United States was sole possessor of this weapon. It was rejected.

This proposal was subsequently followed up by new proposals for the control and regulation of armaments and the establishment of an international organ to supervise an honest disarmament program. These proposals too were spurned. But the Soviet Union recently indicated that it might be prepared seriously to consider the initiative which had been taken months before by other members of the United Nations Disarmament Subcommittee. Let us hope that these indications can be translated into concrete action making possible limitations of armament which are, in fact, dependable and not a fraud.

These are some of the problems that confront us as we face the future. They are problems which cannot be met if we shut our eyes to them, or if we are weak, confused, or divided. They are problems that can be met if we are faithful to the principles of our charter, if we work collectively to achieve their application, and if we are prepared to labor and sacrifice for the future as we have in the past.

The United States asks no nation to do what it is not prepared to do itself. Any nation that bases its actions and attitudes in international affairs on the principles of the charter will receive the wholehearted cooperation of the United States.

Admittedly, the problems we face are not easy to solve, and they will not be quickly solved. There is room for many honest differences of opinion. But the existence of hard, unsolved problems need not itself be a source of danger and hostility if the nations will bring to the common task the spirit of our charter.

There is one extremely simple method of bringing an end to what is called the "cold war"—observe the Charter of the United Nations; refrain from the use of force or the threat of force in international relations and from the support and direction of subversion against the institutions of other countries.

To bring the cold war to an end, seven points are not needed; this one is sufficient.

It is in that spirit that we go to Geneva, and we hope to find that spirit shared.

If so, we can find there new procedures, or at least develop a new impetus, which will help to solve some of these vast and stubborn problems that still confront us.

We shall not, at Geneva, assume to act as a world directorate with the right to determine the destinies of others. Good solutions do not come from such a mood. We shall seek to find procedures such that all nations directly concerned can fully assert whatever rights and views they have.

In other words, we shall try to carry into the Geneva Conference the spirit which has been generated by this commemorative gathering of 60 nations. The sentiments which have been here expressed can inspire new strength, new determination, and a new spirit of fidelity to the principles of the United Nations founders.

In conclusion, I can do no better than to cite the pledge made here last Monday by the President of the United States:

"We, with the rest of the world, know that a nation's vision of peace cannot be attained through any race in armaments. The munitions of peace are justice, honesty, mutual understanding, and respect for others.

"So believing and so motivated, the United States will leave no stone unturned to work for peace. We shall reject no method however novel, that holds out any hope however faint, for a just and lasting peace."

SENATE

TUESDAY, JUNE 28, 1955

(Legislative day of Monday, June 27, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rabbi David de Sola Pool, rabbi of the Spanish and Portuguese Synagogue in New York, N. Y., which was founded in 1654, offered the following prayer:

God of the spirit of all living, may Thy blessing rest on this assembly dedicated to serve our great land in keeping with the ideals with which Thou didst inspire its Founding Fathers.

Strengthen these Thy servants with wisdom from Thee in their ever-extending responsibilities. Through their vision and high purpose may the light of freedom and fellowship for all that was kindled in this Republic bring hope and courage to a world that shall be united in human brotherhood and good will beyond national frontiers.

Help and strengthen the Members of this powerful Government body to further Thy teachings of justice, compassion, and neighbor love, so that soon may dawn the day foretold by Thy prophet when nation shall not lift up sword against nation, neither shall they learn war any more, and all men, as children of Thee, the universal Father, shall dwell in peace on this earth as brothers. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 27, 1955, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

FINAL REPORT OF COMMISSION ON INTERGOVERNMENTAL RELATIONS — MESSAGE FROM THE PRESIDENT (H. DOC. NO. 198)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and with the accompanying report, referred to the Committee on Government Operations.

(For President's message, see House proceedings for today.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1582. An act to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes; and

S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAWSON of Illinois, Mr.

FASCELL, and Mr. YOUNGER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5853. An act to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907;

H. R. 5892. An act to authorize officers and members of the Metropolitan Police force and of the Fire Department of the District of Columbia voluntarily to perform certain services on their time off from regularly scheduled tours of duty and to receive compensation therefor, and for other purposes;

H. R. 6259. An act to amend section 8 of the act entitled "An act to establish a District of Columbia Armory Board and for other purposes," approved June 4, 1948;

H. R. 6574. An act to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended;

H. R. 6585. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes;

H. R. 6795. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; and

H. R. 6829. An act to authorize certain construction at military, naval, and Air Force installations, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 880. An act for the relief of Paul Y. Loong;

H. R. 935. An act for the relief of Mrs. Marion Josephine Monnell;

H. R. 943. An act for the relief of Luzie Biondo (Luzie M. Schmidt);

H. R. 973. An act for the relief of Mrs. Elizabeth Dowds;

H. R. 977. An act for the relief of Mrs. Ellen Hillier;

H. R. 988. An act for the relief of Susanne Fellner;

H. R. 995. An act for the relief of Frieda Quiring and Tina Quiring;

H. R. 997. An act for the relief of Irmgard Emilie Krepps;

H. R. 998. An act for the relief of Meiko Shikibu;

H. R. 1028. An act for the relief of Melina Bonton;

H. R. 1047. An act for the relief of Armenouhi Assadour Artinian;

H. R. 1083. An act for the relief of Robert Shen-yen Hou-ming Lieu;

H. R. 1157. An act for the relief of Milad S. Isaac;

H. R. 1158. An act for the relief of Emanuel Frangeskos;

H. R. 1205. An act for the relief of Cynthia Jacob;

H. R. 1299. An act for the relief of Miss Toshiko Hozaka and her child, Roger;

H. R. 1300. An act for the relief of Luther Rose;

H. R. 1337. An act for the relief of Victorine May Donaldson; and

H. R. 2973. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H. R. 5853. An act to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907;

H. R. 5892. An act to authorize officers and members of the Metropolitan Police force and of the Fire Department of the District of Columbia voluntarily to perform certain services on their time off from regularly scheduled tours of duty and to receive compensation therefor, and for other purposes;

H. R. 6259. An act to amend section 8 of the act entitled "An act to establish a District of Columbia Armory Board and for other purposes," approved June 4, 1948;

H. R. 6574. An act to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended; and

H. R. 6585. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes; to the Committee on the District of Columbia.

H. R. 6829. An act to authorize certain construction at military, naval, and Air Force installations, and for other purposes; to the Committee on Armed Services.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that following a brief executive session, there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to the usual 2-minute limitation on statements.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

John C. Baker, of Ohio, to be the representative of the United States on the Economic and Social Council of the United Nations, vice Preston Hotchkis, resigned.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

HOME LOAN BANK BOARD

The Chief Clerk read the nomination of William J. Hallahan, of Maryland, to be a member of the Home Loan Bank Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk read the nomination of Gen. Matthew Bunker Ridgway to be placed on the retired list in the grade indicated under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I have a brief statement to make. Yesterday a number of extra bills were placed on the calendar. I understand the reports are available. I have communicated with the minority leader, and it is hoped that the Calendar Committees can be prepared on those bills, and that the Senate may be able to take action on them sometime during the week. I should like the Senate to be on notice that we may be prepared to have a call of the calendar again, and that we may move to proceed to the consideration of measures not passed on the calendar.

Also, Mr. President, four agreements were reported from the Foreign Relations Committee, relating to the Geneva Convention of August 12, 1949, which executive agreements were reported by the Senator from Montana [Mr. MANSFIELD]. I understand that the reports will be available soon. There will be a rollcall on each agreement. I should like the Senate to be on notice that perhaps we can proceed to those agreements later in the day or tomorrow.

Mr. President, I should also like to call the attention of the Senate again to the unfinished business, Calendar No. 559, S. 1713, to amend the act of July 31, 1947, and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes. It is hoped that we may be able to dispose of that bill early today.

Then it is planned to proceed to Calendar No. 542, S. 2220, the atomic energy construction bill.

It is then planned to proceed to consider Calendar No. 511, S. 1041, allowing certain State employees to be brought under the Federal retirement system;

Calendar No. 521, S. 1292, to readjust postal classification on educational and cultural materials;

Calendar No. 579, S. 63, to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with

the advice and consent of the Senate; and

Calendar No. 580, S. 1849, to provide for the grant of career conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment.

I am prepared to ask the Senate to proceed to the consideration of Calendar No. 627, S. 609, providing rewards for information concerning the illegal entry into the United States or the illegal manufacture of nuclear material or atomic weapons, if the Senate is able to dispose of the other bills.

In the event Calendar No. 689, S. 1077, to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947, is not passed on the calendar, I shall later move that the Senate proceed to its consideration.

I also wish to call the attention of the Senate to the fact that there are numerous conference reports which may be brought to the Senate including the report on the draft bill, and reports on various appropriation bills. Of course, the reports are privileged, and when they arrive I expect to ask the Senate to proceed to their prompt consideration.

The VICE PRESIDENT. Morning business is in order.

DISCUSSION AT THE FORTHCOMING GENEVA CONFERENCE OF STATUS OF NATIONS UNDER COMMUNIST CONTROL—RESOLUTION

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Lithuanian Americans of the city of Kenosha, Wis., favoring a discussion by the forthcoming Geneva Conference of the status of nations under Communist control.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas in 1940 Soviet Russia, in vicious conspiracy with Hitlerite Germany and in brutal violation of all the treaties and obligations solemnly underwritten by her, invaded Lithuania with armed forces and against the will of the people annexed Lithuania to the Soviet Union; and

Whereas communism has demonstrated to the world its essential evil in a repetitious, ghastly pattern: the millions of Russian and non-Russian people perished from starvation and destroyed during the ruthless political purges staged by the Kremlin; the 10,000 Polish officers slain like cattle at Katyn; the shooting of manacled American prisoners of war in Korea; the mass deportations and killings that have terrorized and depopulated Lithuania, Latvia, and Estonia, the first victims of the brutal and unprovoked Soviet Russian aggression; and

Whereas, until now, the horrifying and stupendous Communist evil has managed in condemning to slave-labor camps 15 million souls and in throttling the freedom of 800 million people living in nationwide prisons: Therefore be it

Resolved, That the United States delegation to the Geneva Big Four Conference bring up the question of the liberation of all Soviet enslaved countries, including Lithuania, the principal aim of such a policy being to reject entering into any agreement with Soviet Russia at the price of sanctioning all past, present, or future injustices inflicted upon many peoples in the last decade; and now be it finally

Resolved, That the Lithuanian Americans of Kenosha, Wis., once again reaffirming their loyalty to the principles of American democracy, pledge their wholehearted support of the administration and Congress of the United States of America in their efforts to bring about a lasting peace, freedom, and justice in the world.

PATRICK B. McGINNIS—RESOLUTION OF NEW HAMPSHIRE LEGISLATURE

Mr. BRIDGES. Mr. President, the New Hampshire Legislature on Thursday, June 9, 1955, adopted a resolution extending appreciation to Patrick B. McGinnis, president of the Boston & Maine Railroad, for an address delivered before both houses of the legislature. A copy of this resolution has been sent to each member of the New Hampshire congressional delegation, including my colleague, the junior Senator from New Hampshire [Mr. COTTON], myself, Representative CHESTER MERROW, and Representative PERKINS BASS, with the request that the resolution be made a part of the CONGRESSIONAL RECORD. On behalf of my colleagues as senior member of the delegation, I ask unanimous consent that the text of this resolution be made a part of the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

Whereas at the invitation of the house of representatives, Patrick B. McGinnis was cordially invited to address the members of the New Hampshire Legislature as to potential plans and ideas for the operation of the Boston & Maine Railroad; and

Whereas Patrick B. McGinnis has this date graciously accepted the invitation tendered, and delivered a speech of interest and encouragement to the entire State: Now, therefore, be it

Resolved, That we, the members of this legislature, extend our thanks to Mr. McGinnis for his splendid address, and further that we be recorded as expressing the sincere wish that Mr. McGinnis be enabled to place his plans and ideas in action as president of the Boston & Maine Railroad; and be it further

Resolved, That the speaker of the house and president of the senate deliver a copy of this resolution to Mr. McGinnis.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MORSE, from the Committee on the District of Columbia:

S. 667. A bill to exempt meetings of associations of professional hairdressers or cosmetologists from certain provisions of the acts of June 7, 1938 (52 Stat. 611), and July 1, 1902 (32 Stat. 622), as amended; with amendments (Rept. No. 685).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 1792. A bill to amend section 10 of the Federal Employees Group Life Insurance Act of 1954, authorizing the assumption of the insurance obligations of any nonprofit association of Federal employees with its members, and for other purposes; with amendments (Rept. No. 686).

By Mr. LONG, from the Committee on Interior and Insular Affairs:

S. 464. A bill to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River; with an amendment (Rept. No. 687).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KILGORE:

S. 2345. A bill for the relief of Lilu Yuen Chuang; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself, Mr. BRICKER, and Mr. DOUGLAS):

S. 2346. A bill to establish a permanent committee for the Oliver Wendell Holmes Devise, and for other purposes; to the Committee on Rules and Administration.

By Mr. ERVIN:

S. 2347. A bill for the relief of Dixie Novelty Co.; to the Committee on the Judiciary.

By Mr. BARRETT (for himself and Mr. O'MAHONEY):

S. 2348. A bill to establish certain requirements with respect to the notice of sale of certain isolated tracts of public land, and to limit the application of preference rights granted to owners of contiguous land in such sales; to the Committee on Interior and Insular Affairs.

By Mr. MARTIN of Iowa:

S. 2349. A bill for the relief of Miss Pilar A. Garcia; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 2350. A bill to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests; to the Committee on Banking and Currency.

By Mr. ROBERTSON (for himself and Mr. BYRD):

S. 2351. A bill to authorize the conveyance of certain war housing projects to the city of Norfolk, Va.; to the Committee on Banking and Currency.

By Mr. BUTLER:

S. 2352. A bill for the relief of Maj. Luther C. Cox; to the Committee on the Judiciary.

By Mr. KUCHEL:

S. 2353. A bill for the relief of Mabel Dorothy Hoffman (or Clarke); to the Committee on the Judiciary.

By Mr. O'MAHONEY:

S. 2354. A bill for the relief of Jean Goedicke; and

S. 2355. A bill for the relief of Katina R. Landrum; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 2356. A bill for the relief of Julian William Pozenel; to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 2357. A bill for the relief of Nenita Santos and Elizabeth Santos; and

S. 2358. A bill for the relief of Renate Karolina Horky; to the Committee on the Judiciary.

By Mr. WATKINS:

S. 2359. A bill to provide for the designation by the President of chief judges of the judicial circuits of the United States; to the Committee on the Judiciary.

CONVEYANCE OF CERTAIN PUBLIC LANDS TO CITY OF HENDERSON, NEV.—AMENDMENT

Mr. MALONE. Mr. President, I send to the desk an amendment intended to be proposed by me to the bill (S. 2267) to direct the Secretary of the Interior to convey certain public lands in the State

of Nevada to the city of Henderson, Nev., and ask that it be printed and referred to the Committee on Interior and Insular Affairs, and also printed in the RECORD at this point as a part of my remarks.

The amendment intended to be proposed by Mr. MALONE to the bill S. 2267, to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev., was received, referred to the Committee on Interior and Insular Affairs, ordered to be printed, and to be printed in the RECORD, as follows:

On page 2, at the end of line 7, insert the following: "east half of section 20; west half of section 21."

READJUSTMENT OF POSTAL CLASSIFICATION ON EDUCATIONAL AND CULTURAL MATERIALS—AMENDMENTS

Mr. JOHNSTON of South Carolina submitted amendments, intended to be proposed by him to the bill (S. 1292) to readjust postal classification on educational and cultural materials, which were ordered to lie on the table and to be printed.

APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION, ETC.—AMENDMENTS

Mr. McCARTHY submitted amendments, intended to be proposed by him to the bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes, which were referred to the Committee on Appropriations and ordered to be printed.

GIUSEPPE MINARDI—RETURN AND REENROLLMENT OF S. 195

Mr. KILGORE. Mr. President, I submit, for appropriate action, a concurrent resolution requesting the President of the United States to return to the Senate the enrolled bill (S. 195) for the relief of Giuseppe Minardi. The bill as it passed the Congress states that Minardi lost his United States citizenship under the provisions of section 404 (a) of the Nationality Act of 1940, whereas, in fact, the loss occurred by virtue of the second paragraph of section 2 of the act of March 2, 1907. The mistake was the result of a typographical error, and what was stated in the bill was not accurate. It is therefore necessary that the bill be returned so that the proper section of law under which Minardi lost his citizenship may be indicated. The concurrent resolution does not affect the bill in any other way.

Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the concurrent resolution.

The VICE PRESIDENT. The concurrent resolution will be read for the information of the Senate.

The legislative clerk read the concurrent resolution (S. Con. Res. 45), as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby, requested to return to the Senate the enrolled bill (S. 195) for the relief of Giuseppe Minardi; that if and when returned the action of the Speaker of the House of Representatives and the Acting President of the Senate pro tempore in signing the said bill be, and the same is hereby, rescinded; and that the Secretary of the Senate be, and he is hereby, authorized and directed to enroll the said bill with the following change, namely: On line 4 of the Senate engrossed bill, strike out "section 404 (a) of the Nationality Act of 1940" and insert in lieu thereof "the second paragraph of section 2 of the act of March 2, 1907."

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. KILGORE. The wrong information was furnished by the immigration authorities. It was only after the bill was passed that the correct information was received.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 45) was agreed to.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JACKSON:

Letter written by him to the Secretary of Defense on June 27, 1955, regarding the progress the Soviet Union is making in the field of airpower.

Mr. JOHNSON of Texas. Mr. President, if no Senators desire to transact further morning business, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

EXTENSION FOR TEMPORARY PERIODS OF CERTAIN HOUSING PROGRAMS

Mr. JOHNSON of Texas. Mr. President, the distinguished chairman of the Banking and Currency Committee, the Senator from Arkansas [Mr. FULBRIGHT] wishes to have the Senate consider Senate Joint Resolution No. 85. I move that the Senate proceed to the consideration of Senate Joint Resolution 85.

The VICE PRESIDENT. The joint resolution will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 85) to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. JOHNSON of Texas. Mr. President, this is a resolution which will require action by the House. I have already discussed it with the able minority leader. He has notified me he has no objection to its consideration or its passage.

I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, this is a unanimous report from the Banking and Currency Committee. The joint resolution merely extends the 3 existing laws for 30 days, with no change whatsoever in any of the 3.

The VICE PRESIDENT. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 85) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the National Housing Act, as amended, is hereby amended—

(1) by striking "July 1, 1955" in section 2 (a) and inserting "August 1, 1955"; and

(2) by striking "June 30, 1955" in section 803 (a) and inserting "July 31, 1955."

SEC. 2. The second sentence of section 104 of the Defense Housing and Community Facilities and Services Act of 1951, as amended, is hereby amended by striking "July 1, 1955" both times it appears therein and inserting "August 1, 1955."

SEC. 3. The United States Housing Act of 1937, as amended, is hereby amended by striking the words "fiscal year 1955" in subsection 10 (i) thereof and substituting the following therefor: "period from June 30, 1954, to August 1, 1955."

SEC. 4. Subsection (a) of section 221 of the Small Business Act of 1953 is amended by striking "June 30, 1955" and inserting "July 31, 1955."

SEC. 5. The first sentence of subsection (a) of section 717 of the Defense Production Act of 1950, as amended, is hereby amended by striking "June 30, 1955" and inserting "July 31, 1955."

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Is the Senate still in the morning hour?

The VICE PRESIDENT. Without objection, the Senate will resume the transaction of routine business, in the morning hour.

SIXTH TRIENNIAL CONGRESS OF AMERICANS OF UKRAINIAN DESCENT—ADDRESS BY GOVERNOR HARRIMAN AND NEWSPAPER COMMENT

Mr. LEHMAN. Mr. President, over the past Memorial Day weekend the sixth Triennial Congress of Americans of Ukrainian Descent was held, under the auspices of the Ukrainian Congress Committee of America, at the Commodore

Hotel, in New York City. As many of the Members of the Senate know, this committee, led by its national chairman, Dr. Lev. E. Dobriansky, who also is a professor of Soviet economics at Georgetown University, represents the views and sentiments of about 1½ million Americans of Ukrainian descent, for whom the just cause of liberation and independence of Ukraine and the other non-Russian nations in the Soviet Union is in the vital interest of our own Nation.

The success of the congress was highlighted by the address of the Governor of the State of New York, the Honorable Averell Harriman. It was delivered on Saturday evening, May 28, at the banquet dinner of the congress, during which the Honorable Stephen J. Jarema, prominent Democrat in New York City, served as toastmaster; and the Honorable Perle Mesta, the Honorable Michael A. Feighan, of Ohio, the Honorable Charles L. Kersten, of Wisconsin, and the Honorable Edward M. O'Connor also spoke.

Mr. President, because of the striking pertinence of Governor Harriman's remarks regarding the scheduled conference at the summit, aircraft production output, the refugee problem, and the general plight of Ukrainians, I ask unanimous consent that his address, along with some of the editorials and press reports, be printed at this point in the RECORD, as part of my remarks.

There being no objection, the address, editorials, and articles were ordered to be printed in the RECORD, as follows:

ADDRESS BY GOV. AVERELL HARRIMAN AT THE UKRAINIAN CONGRESS COMMITTEE DINNER AT THE COMMODORE HOTEL, NEW YORK CITY, MAY 28, 1955

It is a pleasure to meet with the members of the Ukrainian Congress Committee. I feel a personal bond with the Ukrainian people.

I regard myself fortunate in that I have had the opportunity and the privilege of visiting the Ukraine.

During World War II, I arranged with the Soviet Government for the establishment of United States Air Force bases there for use in the shuttle bombing of the Nazi military establishments. In my visits to Poltava at that time, I was greatly warmed by the friendliness of the people of the Ukraine. They became so friendly with our airmen that the iron hand of the secret police clamped down in an effort to prevent this natural friendship.

I have been greatly impressed with the national culture of the Ukrainians—their literature, their art, their music. I shall never forget the beautiful songs I heard in the Ukraine. But what I admire most about the Ukrainians is the purity and persistence of their aspiration for freedom—an aspiration which has endured through centuries of oppression.

It has survived the division of the Ukrainian nation. It has survived the cruel attempts of conquerors to stamp out the Ukrainian language. It has survived the extermination of Ukrainian leaders and scholars. It has survived the autocracy of the Mongols and the Czars. And it will survive the godless tyranny of the Kremlin.

We know, as surely as we are here tonight, that the enslaved nations of Eastern Europe will again one day be free. The oppressed people behind the Iron Curtain will again one day worship God in their own way, will reestablish their democratic institutions, will restore to their people the priceless liberties that are the God-given rights of human beings everywhere.

When and how this will come about, we do not know. But we know it will come about, because—as the history of Ukrainia tells us—the love of liberty cannot be extinguished. In the long run it is a force more powerful than any tyranny.

I want to congratulate you of the Ukrainian Congress Committee of America for the work you are doing to keep alive in this new haven the culture of your ancestors. In doing so you add richness and strength to American life. And I applaud your splendid efforts in finding homes and employment for displaced persons and escapees from the Ukraine.

I realize that this work unfortunately has been brought almost to a halt by the inexcusable administration in Washington of the Refugee Relief Act of 1953.

In that act, the Congress authorized the admission into this country of 209,000 persons over a 3-year period. As of 2 weeks ago, with more than half of the life of the act expired, only 21,000 persons have arrived on this country's shores under the act—and of these only 3,300 are refugees or escapees from behind the Iron Curtain. This is a mockery of the high promise of the act, which intended that we should do our share in providing homes for those who are fortunate enough to have escaped from the horror of Communist slavery.

Yesterday, the President sent to the Congress some recommended amendments to the law. It took almost 2 years of fumbling that reached the proportions of a national scandal before these amendments were proposed. That inaction is shocking enough. But what is even more shocking is that no changes are now proposed in the administration of the act.

We saw how a prominent member of the Administration's own party—Edward Corsi—went to Washington with the sincere purpose of putting impetus and humanity into the administration of the act. We saw how his efforts were thwarted at every turn, and when he persisted how he himself was arbitrarily fired from the program. I think it is safe to say that any changes in the law—however admirably drafted—will be a sham unless there are also changes in administration that will put the program into friendly instead of hostile hands. None of us who believe in offering haven to those who are fleeing Communist persecution can feel satisfied until that is accomplished.

I am sure you are all wondering today, as I am, what the latest turning in Soviet policy toward the West portends.

In recent weeks Soviet leaders have made a number of dramatic moves. They have agreed to a treaty of peace for Austria which leaves that country independent, they have made gestures toward Western positions on arms limitation and control, and they have made suggestions for a united Germany. These have superficial appeal to a fear-ridden world, but they need to be examined closely.

Now, the very fact that the Soviets have budged at all is highly important and to a degree encouraging. But we have no evidence that the ultimate Soviet aim to bring this entire planet under Communist domination has changed. The Kremlin has, it would appear, modified its tactics.

Now, I think most of us agree that our leaders have no acceptable alternative to talking and negotiating with the Soviets, either now or at any other time when there may be some chance of lessening the danger of war. But, as they negotiate, I earnestly hope that the American people—indeed, I hope all our allies—will not be beguiled by general concepts such as "neutrality," "disarmament," and "banning the atomic bomb." I hope there will not be, now, at the first sign of encouragement, another great pendulum swing of American opinion such as we have seen several times in recent years.

You recall how bitterly Americans felt toward the Soviets at the time of the Finnish war and the Nazi-Soviet pact in 1939. And then American opinion swung to another extreme—one of enthusiasm and comradeship—during the war against Hitler. I remember well the hostility with which I was received by many eminent journalists in 1945 when I said at the United Nations Conference in San Francisco that our aims and those of the Soviets were irreconcilable. Some wrote that I should be recalled as ambassador because I was too unfriendly toward our "gallant allies." But in the years thereafter the Soviet policies and actions provoked America to an extreme anti-Soviet feeling again. And now, already, there are some who would like to believe again that an era of peace and security is dawning. I pray that the American people will not let our high hopes and our love of peace interfere with an unemotional, shrewd, and hard-headed examination of every proposal which the Soviet Union makes.

The Soviet Union has recently made some proposals to give the impression it is the leading exponent of disarmament. What has really happened is that the Soviet Union has suddenly abandoned certain positions it has stubbornly held through endless negotiations, and now says it will accept absolute limitations on the size of armed forces and the principle of international inspection—things we have been urging for years.

We should, of course, be prepared to go just as far toward agreement on disarmament as it is safe to go. The rights of inspection teams will undoubtedly be a matter of official discussion and negotiation. But I want to suggest that our Government should raise with Soviet leaders the question of lifting the Iron Curtain to allow foreigners to enter freely, roam about and find out what is going on, and report out freely. This is absolutely necessary, it seems to me, if we are ever to agree upon and have confidence in any far-reaching measures of arms limitation and control.

In the meantime, it would be unforgivable if—pending absolute foolproof arrangements for mutual arms limitation and control—we or our allies let down our military guard.

There have been disquieting recent reports that the Soviets may have caught up with us in the development of intercontinental heavy bombers. And, day before yesterday, the Air Force announced it had decided to speed up production of our own newest heavy bomber, the B–52. This is a shocking admission that we have been holding back in our own bomber production—that we have been doing less than we could have been doing to maintain air supremacy—and this at a time of danger when we all know the Soviets have been proceeding full speed ahead.

Now I want to make clear that I have never believed and do not believe now that war is inevitable. In fact, if we maintain preeminence in the revolutionary new weapons and our ability to deliver them, there are grounds for long-run hope.

All things change in time—even in the Soviet Union. I think it is not unreasonable to hope that if we continue to build up the strength and unity of free nations, internal and external pressures may bring about a modification of basic Soviet behavior.

It will be increasingly difficult for the Kremlin to keep the varied peoples of the Soviet Union and the satellite nations in subjugation. As history proves, words and ideas can in time bring down the mightiest of empires. And to peoples living under foreign domination no words have greater force than those uttered a generation ago by that great American President, Woodrow Wilson:

"We believe these fundamental things:

"First, that every people have a right to choose the sovereignty under which they

shall live; second, that the small states of the world have a right to enjoy the same respect for their sovereignty and for their territorial integrity that great and powerful nations expect and insist upon."

These principles have the same validity today as the day that Wilson spoke them.

If we hold to our principles, if we are steadfast and patient and wise in our diplomacy, if we use a portion of our resources to help build and maintain the foundations of freedom throughout the world, I have no doubt that, with God's help, we shall be able to lead the world through the present terrible danger to a brighter day of security and peace.

[From New York Herald Tribune of May 30, 1955]

MR. HARRIMAN ON RUSSIA

Governor Harriman had some wise words to speak on the subject of Russia in a speech on Saturday before the Congress of Americans of Ukrainian Descent. The Governor, who was the American Ambassador to Russia from 1943 to 1946, understood well the forces at work in that country, and his advice, as evidenced in the recently issued Yalta papers, was remarkably sound. He is entitled to speak now on this subject, and his remarks deserve a careful hearing.

Mr. Harriman warned against one more swing of the pendulum in the American attitude toward the Soviets. This country has been by turns adamantly hostile and naively trustful. Now, with talk of negotiation in the air and a conference at the summit planned for this summer, there is danger that the sentimental or unduly optimistic tone will once more prevail. But, "We have no evidence," the Governor asserted, "that the ultimate Soviet aim to bring this entire planet under Communist domination has changed."

To negotiate, to seek settlements, to aim for peace; all this is essential. The administration is proceeding along this line. Yet the Governor adds an admonition, "I earnestly hope that the American people—indeed, I hope our Allies—will not be beguiled by general concepts such as neutrality, disarmament, and banishing the atom bomb." This appeal to the Allies, made with subtlety that befits a former diplomat, can be useful in mitigating pressures on the administration and is a fine example of bipartisanship in action.

The American people will not, we believe, be fooled. They will certainly not be if they take a long look and keep a steady mind.

[From the New York Times of May 29, 1955]

HARRIMAN SCORES LAXITY ON PLANES—SPEEDUP OF B–52 PRODUCTION TERMED "ADMISSION" NATION HELD BACK BOMBER OUTPUT

The Air Force's announcement on Thursday of a B–52 production speedup was a "shocking admission that we have been holding back in bomber production when the Soviets have been proceeding full speed ahead," Governor Harriman declared last night.

Speaking at a dinner of the Ukrainian Congress Committee of America at the Commodore Hotel, the Governor said the west must not be misled by recent outwardly peaceful Russian gestures.

"The very fact that the Soviets have budged at all is highly important and to a degree, encouraging," he said. "But we have no evidence that the ultimate Soviet aim to bring this entire planet under Communist domination has changed."

Governor Harriman said the United States and its allies should not be beguiled by what he called Moscow's modification of tactics.

"Our Government should raise with Soviet leaders the question of lifting the Iron Curtain to allow foreigners to enter freely, roam about, and find out what is going on, and report out freely," he declared.

Such a change in Russian policy is necessary, the Governor said, to make any pact on arms limitation and control effective. He said it would be unforgivable if the West let down its military guard short of foolproof control arrangements.

Governor Harriman said the hopeful way lay in a continued buildup of the strength and unity of free nations. Internal and external pressures then may bring about a modification of basic Soviet behavior, he said, adding:

"As history proves, words and ideas can in time bring down the mightiest of empires."

The Governor also scored "the inexcusable administration in Washington" of the Refugee Relief Act of 1953.

"In that act," he noted, "Congress authorized the admission of 209,000 persons over a 3-year period. As of 2 weeks ago, with more than half of the life of the act expired, only 21,000 persons have arrived under the act, and of these only 3,300 are refugees or escapees from behind the Iron Curtain.

"This is a mockery of the high promise of the act, which intended that we should do our share in providing homes for those who are fortunate enough to have escaped from the horror of Communist slavery.

"Yesterday, the President sent to Congress some recommended amendments to the law. It took almost 2 years of fumbling that reached the proportions of a national scandal before these amendments were proposed."

Worse than that "inaction," he declared, "is that no changes are now proposed in the administration of the act."

The Governor cited the arbitrary firing of Edward Corsi when Mr. Corsi "sought to put impetus and humanity into the administration of the act."

"Any changes in the law," Governor Harriman insisted, "will be a sham unless there are also changes in administration that will put the program into friendly instead of hostile hands."

Other speakers included Representative Michael A. Feighan, Democrat, of Ohio; former Representative Charles J. Kersten, of Wisconsin; and Perle Mesta, former Minister of Luxembourg.

[From the Long Island Press of May 29, 1955]

AVE SLAPS AT IKE IN REFUGEE RHUBARB

Governor Harriman hit last night at what he called "the inexcusable administration in Washington of the Refugee Relief Act of 1953."

The Democrat told the Ukrainian Congress Committee in a prepared address:

"Yesterday the President sent to the Congress some recommended amendments to the law. It took almost 2 years of fumbling that reached the proportions of a national scandal before these amendments were proposed.

"That inaction is shocking enough. But what is even more shocking is that no changes are now proposed in the administration of the act."

Harriman said, "Any changes in the law, however admirably drafted, will be a sham unless there are also changes in the administration that will put the program into friendly instead of hostile hands."

The Governor said the act authorized admission of 209,000 persons over a 3-year period but that up to 2 weeks ago, with more than half of the life of the act expired, only 21,000 persons have arrived. Of these, he said, "only 3,300 are refugees or escapees from behind the Iron Curtain." He said this is a mockery of the high promise of the act.

[From the Buffalo Evening News of May 31, 1955]

UKRAINIAN GROUP URGES LIBERATION

NEW YORK, May 31.—The Congress of Americans of Ukrainian Descent, Monday urged a policy of peaceful liberation for captive nations in the Soviet Union.

The group, closing its sixth triennial congress, also asked the United States Congress to ratify the United Nations genocide convention. The convention, outlawing mass extermination of entire human groups, was adopted 2 years ago, but has not yet been ratified by Congress.

Lev E. Dobrianski, of Washington, D. C., was elected chairman, chief executive, and chairman of the board of directors of the Congress.

[From the Buffalo Courier-Express of May 29, 1955]

HARRIMAN WARNS OF SOVIET AIMS

NEW YORK, May 28.—Gov. Averell Harriman, of New York, tonight warned the West to be wary of recent Soviet peace gestures.

Addressing the Sixth Congress of Americans of Ukrainian Descent at a dinner at the Commodore Hotel, Harriman cited signing of the Austrian peace treaty. Russian overtures on arms limitations and control, and suggestions for a united Germany, but described them as having superficial appeal and urged that they be examined closely.

"The very fact the Soviets have budged at all is highly important and to a degree encouraging," he told 88 delegates to the congress from all parts of the United States. "But we have no evidence that the ultimate Soviet aim to bring this entire planet under Communist domination has changed."

The congress, composed of native-born Americans and immigrants from the Ukraine, seeks to coordinate and intensify Ukrainian-American participation in peace efforts, to support the Ukrainian people in their struggle for freedom.

Harriman, who was Ambassador to Russia in 1941, said Soviet disarmament proposals calling for absolute limitation on the size of armed forces and the principle of international inspection are things we have been urging for years.

"Our Government should raise with Soviet leaders," he continued, "the question of lifting the Iron Curtain to allow foreigners to enter freely, roam about, and find out what is going on and report out freely."

BOMBER DELAY CRITICIZED

Harriman said the Air Force announcement last Thursday that it would speed up production of B–52 heavy bombers was a shocking admission that we have been holding back our own bomber production while the Soviets have been proceeding full speed ahead.

The Governor also criticized the inexcusable administration in Washington of the 1953 Refugee Relief Act.

Recalling that Congress authorized the admission of 209,000 persons over a 3-year period, Harriman said that "as of 2 weeks ago, with more than half of the life of the act expired, only 21,000 persons have arrived under the act, and of these only 3,300 are refugees or escapees from behind the Iron Curtain."

"This is a mockery of the high promise of the act, which intended that we should do our share in providing homes for those who are fortunate enough to have escaped from the horror of Communist slavery," he said.

Harriman congratulated the Ukrainian Congress for its work in keeping alive the culture of ancestors. Recalling his visits to the Ukraine during World War II, Harriman said what he learned to admire most about the Ukrainians is the purity and persistence of their aspiration for freedom—an aspiration which has endured rough centuries of oppression.

Harriman said that aspiration has survived division of the nation, the cruel attempts of conquerors to stamp out the language and the extermination of leaders and scholars, and declared it will survive the godless tyranny of the Kremlin.

Another speaker, Mrs. Perle Mesta, former Ambassador to Luxembourg, told of impressions she gathered of the Ukraine and its people while on a visit to Russia.

[From the Detroit News of May 29, 1955]

UKRAINIANS HEAR PLEAS FOR LIBERTY

(By James K. Anderson)

NEW YORK, May 28.—The triennial Congress of Americans of Ukrainian Descent, meeting at the Commodore Hotel, today registered 1,000 delegates from Ukrainian organizations in all parts of the country.

After speeches dealing with Ukrainian liberation from the Soviet Union and Ukrainian participation in American political and civic life, honorary doctorate from the Ukrainian Free University in Munich will be conferred tomorrow on Representative FEIGHAN, Democrat, of Ohio, and former Representative Kersten, who headed the House Committee on Soviet Aggression.

HEAR GOVERNOR HARRIMAN

At the congress' banquet tonight the delegates heard New York's Gov. Averell Harriman; Mrs. Perle Mesta, former Minister to Luxembourg, who traveled extensively through the Ukraine during a trip to the Soviet Union; and Edward M. O'Connor, former United States Commissioner on Displaced Persons.

Detroit and Hamtramck sent a large delegation to the congress, led by Dr. Michael Duzyj, president of the Detroit branch of the Ukrainian congress committee; Theodore Michaelezuk, vice president; Frank H. Huzil, secretary; William Dowhan, president of the Ukrainian Federation of Michigan; and Peter Rohatynsky, president of the Ukrainian congress committee in Hamtramck.

At the opening sessions today, Dr. Lev E. Dobriansky, congress president, and Dr. Dymtro Halychyn, vice president, urged the delegates to work on behalf of Ukrainian liberation.

[From the New York Herald Tribune of May May 29, 1955]

HARRIMAN SEES DANGER OF NEW SWING TO REDS

Governor Harriman warned yesterday against "another great pendulum swing of American opinion" in regards to Russia and expressed hope that love for peace will not prevent the American people from subjecting all Soviet peace moves to unemotional and hard-headed analysis.

Referring to recent Soviet peace overtures, notably the signing of an Austrian peace treaty, Governor Harriman said in a speech prepared for delivery at the sixth Congress of Americans of Ukrainian Descent at the Commodore that "now, already, there are some who would like to believe again that an era of peace and security is dawning."

"I pray that the American people will not let our high hopes and love of peace interfere with an unemotional, shrewd and hard-headed examination of every proposal which the Soviet Union makes," the Governor, who was American Ambassador to Russia from 1943 to 1946, declared.

URGES CLOSE STUDY

Governor Harriman said that the signing of the Austrian treaty and recent Soviet "gestures" toward Western positions on arms limitation and control are moves which must be studied closely by the West. But he added that up to now "we have no evidence that the ultimate Soviet aim to bring this entire planet under Communist domination has changed."

"Now I think most of us agree that our leaders have no acceptable alternative to talking and negotiating with the Soviets, either now or at any other time when there may be some chance of lessening the danger of war," the Governor said.

"But, as they negotiate, I earnestly hope that the American people—indeed, I hope our Allies—will not be beguiled by general concepts such as 'neutrality,' 'disarmament,' and 'banning the atomic bomb.' I hope there will not be now, at the first sign of encouragement, another great pendulum swing of American opinion such as we have seen several times in recent years."

SWING IN OPINION NOTED

Governor Harriman noted that American public opinion changed from bitterness toward Russia, during the Finnish War and the Nazi-Soviet Pact of 1939 to a sentiment of "enthusiasm and comradeship" during World War II, and then again back to anti-Soviet feeling because of Russia's policies during the postwar years.

In his speech, Governor Harriman also criticized the administration's handling of the Refugee Relief Act of 1953, asserting that the changes in the law proposed by President Eisenhower came only after "almost 2 years of fumbling." He declared that the nature of the law would not change unless its administration were put into friendly instead of hostile hands.

The Americans of Ukrainian Descent claim to represent 1,500,000 Americans of Ukrainian ancestry living throughout the United States. The group will hold sessions throughout today and close its congress tomorrow after voting on a series of resolutions, motions, and suggestions.

[From the Buffalo Courier-Express of May 31, 1955]

PEACEFUL LIBERATION OF CAPTIVE LANDS URGED

NEW YORK, May 30.—The United States was urged today to adopt a policy of peaceful liberation of the captive nations in the Soviet Union in the spirit of a universalized declaration of independence.

In a resolution adopted by the Sixth Congress of Americans of Ukrainian Descent at the Commodore Hotel, 600 delegates said the Ukrainian Congress would "redouble its efforts in the advancement of a steadily implemented policy of peaceful liberation which alone perceives the illusion of peaceful or competitive coexistence where iron curtains exist to divide nations and peoples."

In other actions, the Ukrainians resolved to support the efforts of 45 million Ukrainian people to regain political freedom and national independence from Soviet Russia and voted to persuade the Western nations that a Ukrainian underground opposes rule by Moscow and strives for a world free of the menace of Communist aggression.

The following officers were elected:

Lev. E. Dobriansky, Washington, D. C., chairman; Dmytro Halychyn, Jersey City, N. J., president; Michael Piznak, New York, treasurer; Antin Batiuk, Scranton, Pa., first vice president; Stephen Sprynsky, Philadelphia, second vice president; John Charumbura, Philadelphia, third vice president; Helen Lototska, Philadelphia, fourth vice president; Joseph Lesawyer, New York, fifth vice president; Stephen J. Jerema, New York, executive director; Ibnat Bilynsky, Philadelphia, secretary; John Roberts, New York, general counsel.

The UCCA is composed of native born Americans and immigrants from the Ukraine and seeks to coordinate and intensify Ukrainians American participation in efforts to achieve peace and to support the Ukrainian people in their struggle for freedom.

FIFTY THOUSANDTH CROSSING OF ATLANTIC OCEAN BY PAN AMERICAN AIRWAYS

Mr. FREAR. Mr. President, I should like to pay tribute to a historic milestone which the outstanding American organization, Pan American Airways, is observing today.

Mr. President, it seems as only yesterday that the entire world marveled at the unforgettable and epochmaking flight of Colonel Lindbergh, who first spanned the ocean barrier to Europe, alone. Now we observe the 50,000th crossing of the same ocean by Pan American Airways in what has become a routine operation. Time and distance have surrendered to modern aircraft, and today almost any spot on the earth is only hours away.

Mr. President, Pan American Airways has been a trailblazing pioneer in international air travel. It has helped to bring knowledge of America to peoples and nations thousands of miles away. Thus, in a real sense, this company fulfills the role of an ambassador.

I am happy to commend the officials of Pan American, its operating personnel, and all others associated with the company on the attainment of such an outstanding and safe record of flights across the Atlantic Ocean.

Mr. CAPEHART. Mr. President, at 5 o'clock this afternoon Pan American World Airways will make its 50,000th crossing of the Atlantic Ocean. I ask unanimous consent that there be made a part of the RECORD at this point some remarks I have prepared with reference to this mark in aviation history.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

At 5 o'clock this afternoon a distinctive mark will be made in aviation history by one of the pioneers of United States commercial flying.

At that time a Pan American World Airways DC–7B plane will take off from New York to make Pan American's 50,000th crossing of the Atlantic Ocean.

Since that first Atlantic flight was made by Pan American on June 24, 1939, those 50,000 flights across the Atlantic have carried 2,021,483 passengers a total distance of 200 million miles.

Those same planes carried more than 24½ million pounds of mail, the equivalent of more than one-half billion letters.

In addition, more than 35 million pounds of cargo were carried on those 50,000 flights.

It is a privilege to have this opportunity to bring official notice to the United States Senate of this glowing example of accomplishment possible under the American free-enterprise system.

I have had the pleasant experience to observe in many foreign countries served by Pan American the good will established there by Pan American representatives toward the United States.

The operations of Pan American and the conduct of its personnel in foreign lands have won for us many friend; friends for our country and friends for our system of government.

In many instances Pan American, as well as other United States-flag airlines, compete with Government-owned and Government-operated airlines.

The record of Pan American and the other United States-flag lines proves the capabilities of United States free enterprise to meet that competition.

It is good that this Senate takes cognizance of the advancement of United States business both at home and abroad.

It is equally good that the Senate takes cognizance of development of trade of all sorts with other countries.

I am a firm believer that trade among countries is the pathway to eternal peace in the world because, as I have said many times, trade makes jobs and jobs make trade, and when people are working they are not interested in fighting.

Happy landings, Pan American, for all the years to come.

ADDRESS DELIVERED BY THE PRESIDENT AT SKOWHEGAN, MAINE

Mr. PAYNE. Mr. President, yesterday afternoon, President Dwight D. Eisenhower delivered at the fairgrounds at Skowhegan, Maine, some informal remarks which I believe illustrate once again his innate friendliness and good will toward his fellow men. The President summed up his own basic aspirations and those of all the American people when he stated:

We want peace in the world. We want prosperity at home, a prosperity that is widely shared, with everybody happy in his job. We have come to realize these two aspirations are related. We cannot have prosperity without peace. And there can be no peace unless we are prosperous.

We are the world's leader—economically, productively; and because we are this, we must also take the lead in many other ways, morally and politically, in leading the free world to bind itself together in a common appreciation of these basic values: The dignity of man, his right to be free, his right to exercise all of his privileges of worship and of thought and of speech, of action and of earning—in fact, to exercise every personal privilege, as long as he does not violate similar rights of others.

Mr. President, no one can honestly doubt the sincerity of our desire for peace and prosperity while our Nation is led by a man such as President Eisenhower.

As one who in 1948 first urged the nomination of Dwight Eisenhower, as one who was privileged to lead the campaign for convention delegates in his behalf in Maine in 1952, and as one who has been privileged to have the highest record of effective voting support of the Eisenhower program in the United States Senate, I have never once had occasion to waver in my great respect for this man, whom the American people have called to bear the heavy burdens of the highest office in this great Nation.

It is my hope, as I am sure it is the hope of millions of other Americans, that next year Dwight Eisenhower will again answer the call of duty, and will stand for reelection. This is my hope because I am convinced that Dwight Eisenhower is the best qualified person to guide the destinies of our Nation in these difficult times and to help us and all mankind achieve the basic aspirations to which he referred at Skowhegan, yesterday—peace and prosperity.

Mr. President, I ask unanimous consent that the text of the President's remarks at Skowhegan, as they appeared in the New York Times this morning, be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF THE PRESIDENT'S REMARKS AT SKOWHEGAN, MAINE

Governor Muskie, Senator Smith, Senator Payne, Members of Maine's congressional delegation here present and my fellow Americans, no man can receive greater acclaim than to be received in friendly fashion by a gathering of real Americans. So from the bottom of my heart, I thank you—the Governor for his official welcome, Senator SMITH for all that she has so extravagantly said about my accomplishments, and each of you for the courtesy you have paid me by coming out here today that I might say hello.

There are no thanks due me for coming to this section of the United States, for long have I felt that my education was sadly lacking, in that I did not have an intimate acquaintanceship with this region. I have satisfied a long-felt desire to come here.

And, incidentally, I should like to point out one thing: The Office that I hold being what it is, I did not come alone. Now, there must be millions of Americans as ignorant as I was of the beauties of this region. And think of all the newspaper people, photographers and others that now should be educating those people. And possibly they will come and get the same first-hand knowledge that I had.

Now, if this does not happen, either the power of the press is not what we thought it was, or these newspaper people that travel with me haven't the proper sensibilities to appreciate beauty when they see it.

COMPLIMENTS TO "MIDGES"

I am grateful for the warmth of the welcome I have received all along the line, from young and old, from men and women, from workers and people who seem to be on vacation. And I might say, the most touching welcome that I received was from what the guides call "midges," and I call plain black flies. I am certain that during all these years when I did not come, they have been waiting on me, because they swarmed around me with their cannibalistic tendencies, and I am sure they will probably starve until I get back here.

My friends, as much as I have found here different, in the way of your scenery and your glorious lakes and streams and woodlands and piles of timber along the road which I have never seen, I find the basic beliefs, in our basic aspirations, in our hopes for the future and for our children, we are one.

We want peace in the world. We want prosperity at home, a prosperity that is widely shared, with everybody happy in his job. We have come to realize these two aspirations are related. We cannot have prosperity without peace. And there can be no peace unless we are prosperous.

We are the world's leader—economically, productively; and because we are this, we must also take the lead in many other ways, morally and politically in leading the free world to bind itself together in a common appreciation of these basic values; the dignity of man, his right to be free, his right to exercise all of his privileges of worship, and of thought and of speech, of action and of earning. In fact, to exercise every personal privilege as long as he does not violate similar rights of others.

ASKS FOR SACRIFICES

Now, if we are going to be bound together in these things we must realize that we can't do that, we can't attain them all without sacrifice. As your forefathers came into this region and built their homes, their cabins and began to conquer the wilderness, they had to sacrifice something, they had to sacrifice the safety of the lands from which they came, they had to part from loved ones, they had to make sacrifices to give to us what we have today.

If the world is going to be bound together in a system of mutual advancement—international security—with all of us sharing in that security and in that trade, here and there we must make sacrifices.

Let us make them courageously, as our forefathers did, so that we may enjoy real and secure and permanent peace, and not merely an uneasy cessation of the firing of the guns.

We want permanent peace based upon confidence, based upon justice and decency, wherever the American Government is represented. That is what we are struggling for—in every chancellery, in every capital of the world, those who are our friends and those who may be hostile to us.

We are coverting nobody's property. We want to assume power and rule over no one else. We want to live a life that gives to each of us the utmost opportunity for spiritual, intellectual and material and economic development, for ourselves and for our children.

I find in my few days that I have been privileged to travel across this northern tier of the New England States those sentiments are as widely shared and deeply felt as they are anywhere in the United States.

Indeed, may I say to you that because of this, though I come among you as a stranger, I have felt no more at home in any other town or city that I have visited in this country.

And so my real word of thanks is this: That you have let me feel that you do stand with one another shoulder to shoulder, and shoulder to shoulder with all of the other localities and States and regions of the United States—that all of us, together, may march along to that fuller life, strong, secure, but tolerant and ready to help the other fellow as we expect him to do his part in this great venture.

THANKS TO ALL

Now, before I leave, I would like to say thanks in a little bit more intimate way. Everywhere across this State today I have encountered smiles and shouts and "Hi Ikes" and waves of the hand—as I have met them here on this fairground. I can't reach each of you personally with a shake of the hand. I cannot even speak to all of the citizens I saw today. But if to you, and through you, I could let each of you know how sincerely I do appreciate the warmth of your friendliness, how earnestly I want to come back—as your governor said, no matter what my job may be—then indeed I shall be content.

And now one final word. In every audience such as this, there are literally hundreds of people who have served in the armed services during the period I was there—men and women. Some of them have served actively in the same theater, on the same battleground as I have.

To them I just want to say this one thing: During all those years that you were abroad, while your loved ones were suffering their fears for you, and you were encountering the dangers that finally won the war, we were upheld by a belief that we were fighting for freedom, for the rights of men as individuals, and for peace.

I believe that those aspirations, slowly and torturously it is true, but still steadily, are marching on toward achievement. And I believe that is the thought that all of us can take with us to our beds each night and thank our God that it is true.

CHARLES E. DANIEL, OF SOUTH CAROLINA

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD, as a part of my remarks, an editorial entitled "One More Honor," published on June 22, 1955, in The State, a Columbia, S. C., newspaper. The editorial refers to the Distinguished Public Service Award of the American Legion, recently conferred upon former United

States Senator Charles E. Daniel, my immediate predecessor.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONE MORE HONOR

It is gratifying to many South Carolinians and must be particularly so to Citadel men, that Charles E. Daniel, of Greenville, is coming into such notable prominence.

He has built himself a considerable empire in the construction field, gaining a national reputation in this line. He displayed a spirit of public service, including a gift of real magnitude, with a brother, to his alma mater, in the form of a carillon, and was appointed interim Senator by Governor Byrnes following the death of Burnet Maybank. He was signally honored some months ago by an extensive writeup in Fortune magazine.

And now he has received the American Legion plaque for distinguished public service to the State.

We extend congratulations to Senator Daniel on this new honor.

MULTIPLE USE OF SURFACE OF PUBLIC LANDS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of Calendar No. 559, Senate bill 1713.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

AMENDMENT OF 1872 MINING ACT OPENING WEDGE TO DESTROY SMALL MINES—OBJECTIVE: LEASING PUBLIC LANDS FOR MINING PURPOSES

Mr. MALONE. Mr. President, Senate bill 1713 has been accepted by many State mining organizations throughout the country under the threat that if they do not accept this amendment to the 1872 Mining Act, they will get something worse. It would establish a precedent for the leasing of all minerals and materials on public lands recommended by Government departments for 22 years, so that bureau heads in Washington may control all prospecting. So far they have not been able to bring it about to put their point over. What they want to do is to control, through a definite leasing system, all the prospectors and all the exploration work done on public lands.

EVERYTHING BUT THE BLUE SKY

The bill would establish a leasing system for sand, stone, gravel, pumice, pumicite, cinders, and clay, and vegetative materials, including, but not limited to, yucca, manzanita, mesquite, cactus, and timber or other forest products. This list includes everything but the blue sky, and would drive the ordinary prospector into his grave.

Forest reserves, parks, and other withdrawals take adequate care of the timber and scenic areas.

NO PRECEDENT FOR PENDING LEGISLATION

The argument is made that the precedent was set for this legislation through Public Law 250, passed by the 83d Congress, chapter 405, first session, under S. 1397.

That act merely coordinated the work on mining claims and ground leases for the development of different types of minerals, including petroleum, on regularly located mineral claims, and provided that the development for petroleum could be adapted to mining claims. If the mining-claim location were first made, then the oil-and-gas lease could not interfere with the mining and development of the minerals on the claim.

It also provided that a mineral claim could be located on the petroleum and gas lease, with the same provision, that the development of minerals should not interfere with a prior locator or lessor to develop the petroleum and gas on the particular land.

The act was a coordination of the development of different types of minerals, including petroleum.

It had nothing whatever to do with the leasing of the vegetation or the harvesting of the timber on a mining claim.

S. 1713 BUREAUCRATIC CONTROL BILL

A new precedent is being established under this bill, looking toward a leasing system under which Government departments and bureau heads would ultimately control all leasing operations.

The senior Senator from Nevada filed minority views on June 22, 1955, in which he pointed out, as set out in the minority views, that—

The purpose of the amendment to the 1872 mining law set forth in S. 1713 is, according to its sponsors, to prevent:

"1. Clearly invalid mining locations, unsupported by any semblance of discovery, and

"2. Mining locations having mineral disclosures which might satisfy the basic requirement of discovery, but which were in fact made for a purpose other than mining.

"3. To make it easier for the Federal bureaus to bring up for review claims and claimants which in their judgment includes land more valuable for another purpose."

That is the statement of the principal witness, Mr. Raymond B. Holbrook, an attorney employed by the United States Smelting, Refining & Mining Co. for 17 years, and who is the chairman of the public lands committee of the American Mining Congress. Mr. Holbrook was the nearest approach to a mining man who appeared for the bill.

TEN WITNESSES—GOVERNMENT BUREAU HEADS ALL BUT ONE

About 10 witnesses appeared at the hearings, which were held in Washington, D. C., only, where no ordinary prospector of mining could possibly come for the purpose of appearing before a committee. Only one man appeared before the committee who had ever had any mining experience. He appeared in opposition to the bill.

He is Robert S. Palmer, executive secretary of the Colorado Mining Association at Denver.

The witnesses who appeared before the committee consisted almost entirely of bureau officials and others who were hired to put this particular bill over, and to establish the precedent which I have already described.

Reading further from the minority views:

The first purpose, preventing invalid mining claims, is amply covered by the present mining law as interpreted over the years by the Supreme Court of the United States. Both the public and the prospector are fully protected, with recourse to the courts.

PROSPECTORS DEPRIVED OF RIGHTS

The second and third—

Purpose of S. 1713, the proposed amendment to the 1872 mining law—that 75-year-old law which laid down the principle with respect to what a prospector's rights are and which has been interpreted and supported by the Supreme Court—

are clearly an imposition on the rights of the prospector since they open the door for the first time in more than 80 years for a Government bureau employee to allege that the land is more valuable for another purpose than mining and bring the case before his own bureau where the only appeal is to a higher employee or official in that same bureau.

Reading further from the minority views:

CONGRESS COULD DESTROY INCENTIVE

Since it is even conceivable that evidence might show that the value for other purposes might temporarily be greater than the immediate value of a small mining property, it is inconceivable that the Congress would allow a bureau official, in no way connected with mining, such as the Forest Service or the Bureau of Land Management, and having no firsthand knowledge of the industry, to be the complainant, judge, and jury.

The history of mining is clear that you must have prospects before you have small mines and you must have small mines before you can have big mines—and that it often requires many years before the larger bodies of ore can be developed, even after they are known to exist.

FIRST LOCATOR SELDOM PROFITS

History also shows that the property may change hands many times through the first locators "going broke" and either relinquishing the claim to another locator or selling out for what they can get because of their inability to continue working the property, or because of lack of "assessment" work simply losing to another locator. Rarely does the first locator profit from the discovery.

There used to be a byword in the ranching business—that it was the third or fourth homesteader of a homestead that made it stick. The mining business is even tougher.

GOVERNMENT BUREAUS

The principal witness, Mr. Holbrook, further testified that—

I quote from Mr. Holbrook's testimony because he was the leading witness for the precedent-making proposal to break down the 75-year-old law, and the Supreme Court decisions, under which a prospector knows what his rights are.

I am reading from Mr. Holbrook's testimony, as set forth in the minority views:

We have had the pleasure of working with the Forest Service and the Bureau of Land Management and understand their position is that these problems could not be entirely met by effective administration of existing laws for the following reasons:

1. The available remedies are slow, expensive, and not conclusive, and

2. There is great difficulty in establishing the invalidity of a location, supported by discovery, on the basis that the location was made for a purpose other than mining.

The PRESIDING OFFICER. The Senate will be in order.

MINORITY VIEWS FURTHER OUTLINED

Mr. MALONE. Mr. President, reading further from the minority views:

The weight of evidence of the witnesses called—all but one holding some Government position—was that the Government bureaus should be given the clear power to determine the validity of a mining location within their own department.

This power in the hands of the bureau officials would destroy the prospector and reverse the Supreme Court decisions for more than 80 years.

They would also have the authority to determine whether or not the land is more valuable for another purpose than mining.

OBJECTIVE—LEASING SYSTEM

It is clear that the Government bureaus are still moving toward a leasing system which they have continually advocated for two decades.

DESTROY LAW INTENT AND COURT DECISION

The prospector can be moved under the 1872 law if he has not complied with it, which is the intent and the extent of the original law.

The Supreme Court decisions, for more than 80 years, have clarified and established the law.

It has been established that if the prospector has complied with the law in setting up his monuments—in filing with the county recorder—and has done the required "assessment" work that a Government department cannot move him or interfere with his work by alleging that "a reasonably prudent man would not expend his money and his effort in the hopes of developing a mine" (Holbrook, p. 91, May 18, 1955).

MINE DEVELOPMENT IMPERILED

I repeat that statement:

A reasonably prudent man would not expend his money and his effort in the hopes of developing a mine.

I read further from the minority views:

The amended act opens the door for continual interference by Government officials.

It limits the locators' inherent rights prior to patent—since when patent issues there is no change in the fee-simple ownership—and the timber, forage, and all other assets go to the patentee. It does not make sense to allow the Government to deplete his claim in accordance with their judgment before patent.

There may have been abuses under the law—but when investigated it will generally be found that the Government has not met its responsibilities under existing law and that the law itself or court decisions provide the remedy.

PROSPECTOR ON THE DEFENSIVE

As it now stands the Government must initiate any proceedings to prove the location invalid—which is exactly what was intended and must be maintained—under the proposed law the prospector will be on the defensive and will be continually harried and tormented by inexperienced and irresponsible bureau officals.

HEARINGS IN MINING AREAS

It is abundantly clear that hearings should be held in the mining areas of this Nation before any action is taken, since no real miners were heard and the mining associations of the several States were clearly intimidated through threats of more severe legislation unless they accepted the proposed legislation as written.

NEVADA MINING SPOKESMAN STATES HIS VIEWS

Mr. President, I have before me a communication from the executive secretary of the Nevada Mining Association, Inc., Reno, Nev., to whom I wrote for advice. In his letter he says:

DEAR GEORGE: Thank you for your letter of May 26. I have noted carefully all that you say therein.

As far as S. 1713 is concerned, please refer to my letter of May 14, 1955. Inasmuch as our members have voted under our prescribed voting system and the fact that all but four of our members voted in favor of the bill, it would ill behoove me to take any stand in contradiction to the expressed wishes of a large majority of the members of the association.

I have always said that if the present mining laws were enforced, there would be no need for new laws and if the present law is not enforced, I doubt if any new law will be.

However, the theory, as expressed by mining men throughout the West, is that unless they accept this law, something much more inimical to the industry will be enacted into law. Whether this is well founded or not, I do not know, but it is a factual condition and there is nothing I can do about it.

With kindest personal regards,

Very sincerely,

LOUIS D. GORDON.

NEW TACTIC EMPLOYED IN PRESSING BILL

Mr. President, the American Mining Congress is carrying on a campaign to secure the enactment of this bill. I am not critical of the American Mining Congress, if that is what they think should be done, but intimidating State associations throughout the Nation in the mining areas into thinking they must take this bill or something worse is not exactly the way business has been done in the public land-mining areas for the past 80 years.

Reading further from the minority views:

The present simple location system for acquiring prospecting ground for mining is the last stand for the man of small capital.

It requires no money—just a sack of beans and some coffee and many of them have been known to dispense with the coffee until they can show enough to acquire a "grubstake" from someone who is willing to gamble with them.

They can build a rock mound or stick up a stake and lodge the location notice on it—then set up the corners within 30 days and start the location work.

The ground is then his own as long as he does the required annual assessment work and files proof of it in the county recorder's office of his county.

It is not necessary to have a surveyor or an accurate placing of the corners of his property. If he inadvertently takes in too much territory then, when there is a conflict, which there will most certainly be when and if he makes a strike, he can only hold the 1,500 by 600 feet of the regulation mining claim.

MINING CLAIMS "FENCED IN"

Mr. President, if the prospector or miner does not take in the total amount, that is, the distance of 1,500 feet by 600 feet, and someone else locates next to him, he cannot enlarge his claim.

Reading further from the minority views:

Mining is a gamble—it is also a disease, which once acquired means that they will "hit" a mine or die broke. Where a very limited few develop a mine, thousands die broke, but it is the incentive of "striking it rich" that keeps them in the hills where the ore is to be found.

Probably 90 percent of the digging done by prospectors is on ground where no prudent man would dig—and this Nation can thank God that they have continued to dig on such ground, because most of the prospects developing into mines are discovered by these miners confirmed in the faith.

MOST MINES FOUND WHERE PROSPECTS DIM

Mr. President, no one knows better than does the junior Senator from Michigan [Mr. MCNAMARA] that that statement is true, namely, that 90 percent of the digging is done by prospectors on ground where no prudent man would dig, but that is where 98 percent of mining properties are eventually found.

I continue reading from the minority views:

The testimony by Government witness, and witnesses inexperienced in the actual prospecting operation, was to the effect that many mining claims are located on ground where no prudent man would dig—prospectors are not prudent men.

There was only one mining man at the hearing who testified and his testimony was emphatically against the bill unless modified—and he recommended that hearings be held in the mining areas before it was reported to the Senate floor. The witness was Mr. Robert S. Palmer, secretary-treasurer of the Colorado Mining Association, which is one of the largest and most important of such associations in this Nation.

Several witnesses have testified that a precedent for this proposed legislation was set in the passage of Public Law No. 250, 83d Congress, amending the 1872 Mining Act.

There could have been no precedent set in the previous legislation for this type of bill since it only dealt with coordinating the use of the same mining claims for different minerals—petroleum, uranium, and other minerals. The amended act provided that you could mine uranium on an oil claim but the petroleum producer had the priority and you could not interfere with him, and that you could develop and produce oil on a uranium claim but that you could not interfere with the operation of the prior locator.

It positively had nothing to do with timber or forage or sagebrush. It had absolutely nothing in common with S. 1713, which does set a precedent for leasing ground for materials.

Certainly hearings should be held in the mining areas. Let the miners have a chance to help work it out.

Quoting further from the minority views:

I believe that if this is done a satisfactory piece of legislation can be worked out that will benefit all concerned, and that will not curb the prospector, and that will not discourage independent investors and "grubstakers" interested in locating, developing, and producing minerals.

If the legislation is to be voted on today as set up without hearings in the mining areas of the country, then its application should certainly be confined to the forest reserve areas where most of the testimony before the committee applied.

INVESTIGATION OF FOREST SERVICE, LAND BUREAU URGED

Mr. President, I have here a letter from J. P. Hall, president of the Western Mining Council, Inc., dated June 11, 1955, which reads as follows:

DEAR SENATOR: Thanks for your help on the Dawson bill (H. R. 5561) and Anderson measure (S. 1713). At both our Redding, June 2, and Weaverville, June 3, meetings we concluded our best hope was to have you urge upon the Senate the move of a western investigation of what we consider the present illegal practices of the agents of

the Bureau of Land Management and the Forest Service relative to valid mining claims.

To back up this move a number of outstanding cases were cited. The Gerlinger case in Shasta County has just been heard by the court. The Bureau sold outright four claims belonging to Gerlinger Brothers, of Redding, the purchaser attempting to eject Gerlinger Brothers when they were doing their assessment work. The court found the claims to be valid but held valid the Bureau's deal of allowing a grazing patent on the claims. In other words, the court acted as if the Anderson bill is already law.

Our Trinity County Chapter cited the Pearl Wood case, which has been reviewed by Secretary McKay's office. The Forest Service sold Mrs. Wood's timber and in order to make the sale good proceeded to prove her claims invalid, even though her gravel has run (according to operating witnesses at the hearing) from $2 to $4 per yard. The Forest Service engineers tested the worst parts of the claims and when it was finally put to McKay's office, his attorney, Clarence Davis, came out with the ruling that the claims would have to show $1.50 to $2 to constitute a "discovery." The witnesses who showed gold taken from the claims were discredited with the statement: "How do we know you took that gold off Mrs. Wood's claim?"

In the same kind of treatment Mrs. Anna Vernon, Cle Elum, Wash., has $12 gold ore on the dump and high-grade assays as high as $1,500.

I have a letter from Mr. McKay's office that she would have to have ore running from $20 to $30 a ton to constitute discovery.

HOW SMALL MINES DEVELOP

Digressing from the letter, that is exactly the point I wish to make. Many a prospector has dug on claims and has passed them on to his successors, and they have been developed, but where only a trace of gold or a trace of some other mineral has been discovered.

But it is a valid discovery, the Supreme Court has said, and that is how a small mine develops. Thousands of prospectors may search, and very few of their claims may become producers and very few of the producers become mines of consequence.

No prudent person would dig where the ordinary prospector digs. Of course not.

BILL DOOMS SMALL PROSPECTOR

So the bill will finish the job on the prospector, the fellow who works without capital, or who goes to a friend for a grubstake; to someone who will gamble with him.

The practice of chasing prospectors off the claims is already going on, but there is a minimum of it because of Supreme Court decisions of 80 years' standing which set forth the rights of prospectors and miners.

This is positively the first bill ever to reach the Senate floor which sets the precedent, an act which will allow the inexperienced personnel of the Bureau of Land Management and the Forest Service to exercise control.

BUREAU BOSSES GREEN HANDS IN MINING FIELD

Ninety percent of them are inexperienced in the very field which they are supposed to know—the public range. They are absolutely inexperienced and green hands in the mining business.

They put the prospector on the defensive.

They allege that no prudent man would dig on that ground. Certainly no prudent man would dig on it. There are few if any prudent prospectors. That is the reason why we are in the mining business, because due to the 1872 Mining Act and the Supreme Court decisions the prospectors could control their ground.

PROTECTION DESTROYED IN 1934

Twenty-two years ago—1934—an act was passed which took away practically all the protection afforded the American workingmen, investors, and prospectors who made their stand in the hills, and put the 50-cent-a-day laborers in Burma in direct competition with the $12-or-$15-a-day American workmen. That is to say, the foreign workers had a $10-to-$13-per-day advantage.

There is a bill in the Committee on Finance which would lower the income tax on foreign-earned income by 14 percent. I am glad I am a member of that committee. Under the terms of the bill now before the committee, there would not only be the advantage of cheap labor in Burma and other foreign countries, but the investor could come back with his profits and pay 14 percent less income tax than if he had earned it in the United States.

PENDING BILL "LAST STRAW" FOR PROSPECTORS

There is not sufficient time today to describe all of the approaches to destroy this Nation; but when the foreigners seeking to divide our markets come in the door, and we shut the door, they come in the windows. When we shut the windows, they come up through the cellar door.

Now the last straw for a mining prospector is the proposal to allow a man who has never seen a mine to go to a prospector and tell him, "We are going to rent this ground to another person because no prudent man would dig on what you call your discovery."

PRESENT LAW AMPLE TO HALT ANY ILLEGALITY

I am not objecting to stopping an illegal entry. I am advised that the law allows plenty of leeway to stop a man who might try to locate an illegal claim on a forest reserve.

All that is necessary is to follow it through with the law as it now is. The Government can take a man off a claim under present law, if he does not have a valid discovery, but under the decision of the Supreme Court, invalidated through that act, you cannot take him off because a Bureau of Land Management official says that "no prudent man would dig there."

It has been said that someone set up a bar on a mining claim. He established a location and puts a bar on it. It It is the easiest thing in the world to prove such a thing and to dislodge such a person.

Some say they locate the claim for the timber. It is necessary to do $500 worth of development work on a mining project before it can go to patent, and it is necessary to convince a mineral surveyor, who is under $5,000 bond to the Federal Government, that the work has been done on a valid discovery. I was a licensed mineral surveyor for 25 or 30 years in Nevada and California. A mineral surveyor is under oath, and he must forfeit his bond, if when his ruling is investigated he is found to have sworn to an illegal or untrue statement.

NO NEW LAW NEEDED IF PRESENT LAW ENFORCED

So I return to the letter. It has been well said in the letter from Louis D. Gordon, secretary of the Nevada Mining Association, that if the present laws are enforced, "It is my opinion we do not need new ones."

If it is timber about which the Government is worried, why use the timber as the entering wedge to run mining prospectors off the public lands? In my State of Nevada, the public owns 87 percent of the lands. Why do they own it? Because there has been no law passed by Congress under which the land can be taken up and developed except the 1872 mining law. Water is not available for farming much of the land, but it can be located and developed under a mining claim.

When the prospector believes he has a discovery, and believes it strongly enough so that he will stay there and dig on the claim, eventually, with the hardihood of prospectors, he may establish a successful claim.

But I content that the Government has mortally injured many prospectors by the free-trade acts which Congress sought to pass almost without debate, except on the part of the senior Senator from Nevada.

HOW COLLEGE GRADS NOW RULE THE RANGE

The prospector is still in business, and he still continues to dig where no prudent man would dig; and so long as he continues digging, the Supreme Court has, in most cases, upheld him.

But now it is sought to amend the law, so that a college graduate from Yale or somewhere else, who has never seen a mine, who has never seen a piece of ore bigger than a sample, will be permitted to regulate the range on a mining claim. Many of the college graduates have never seen a cow, much less a mine. They have no knowledge of the range or of this particular subject. Yet they are mortally injuring the livestock men of this country under the same act now in the Bureau of Land Management, which was the Taylor Grazing Act of 1933.

Now they can tell a prospector, "You don't have a discovery, because it does not assay $20 a ton; and no prudent man would dig there." And they apparently make it stick.

BUREAU PROBE SHOULD PRECEDE LAW CHANGE

I read further from Mr. Hall's letter. He has reviewed specific cases, and then says:

These are just a few of the reasons why the illegal practices of the Bureau of Land Management and the Forest Service should be completely investigated before any attempt is made to fortify their position with such measures as the Dawson and Anderson bills.

Claimholders are not opposed to a just division of the timber on their claims but will oppose the Forest Service telling them

how, when, and where to cut their just portions. We are for your suggestion of western hearings of this situation before any new bills become law.

TIMBER AMENDMENT VAGUE

Mr. President, there was offered and accepted to the bill an amendment providing that if all the timber is cut while the land is still being prospected, while it is still in the location stage, and then the prospector or a successor discovers a mine, the Government will furnish the timber that is needed.

Mr. President, what would that entail? How much timber are they going to furnish? Are they going to go out and measure the stumpage?

MINING COUNCIL OPPOSITION DEFINED

I also have a telegram from Mr. J. P. Hall, president of the Western Mining Council, Inc., at Santa Cruz, Calif., dated the 7th of this month. It is addressed to Hon. GEORGE W. MALONE, United States Senate, Washington, D. C., and reads:

Western Mining Council, Inc., meeting in regular monthly session in Redding June 2 went on record as not opposed to equitable division of timber on plains and national forests but opposing other provisions of multiple use we urge hearings on bills in western areas before passage of S. 1713.

Mr. President, I have a letter from Mr. Harold M. Morse, of Morse, Graves & Compton, attorneys, Las Vegas, Nev., which reads:

Hon. GEORGE W. MALONE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MALONE: This will confirm our telegram in answer to your telegram of June 7.

LEGISLATION SPEEDED TO FLOOR WITHOUT AREA HEARINGS, INVESTIGATION

I was trying to find out how all this came about without the prospectors and the attorneys for the prospectors even knowing that the measure was headed for the Senate floor, and without hearings being held outside of Washington, D. C. Who would pay to come 3,000 miles to Washington? At least no prospector has the money to finance such a trip.

The way measures go through the Senate now, all that is necessary is to get them to the Senate floor, and they go through without any adequate investigation. Apparently everybody is embarrassed in opposing any measure, regardless of what it may do to the economy of the country.

The letter from Mr. Morse reads:

This will confirm our telegram in answer to your telegram of June 7.

I carefully read your letter of May 27. You are absolutely correct in stating in your said letter that the Federal Supreme Court has passed on all phases of an 1872 mining act as amended, and the act itself and the decisions of the Federal Supreme Court amply protect the Government and anyone else from any misuse of a mining claim, either before or after patent. I will send you a decision or two shortly to the effect that where a party located a mining claim in a national forest, which was open, however, for mineral entry, and then used the surface of the claim to conduct a saloon, the Department of the Interior was justified in voiding the patent even after it had been issued, on the grounds of fraud.

The remedies exist, Mr. President.

BILL BOON TO "TINHORN CZARS"

I read further from the letter:

It is interesting to note from your letter that the 8 or 10 witnesses heard by the committee were all Government officials. Even a blind man can read the great boon it would be to the Bureau of Land Management to have this bill passed. We would have more tinhorn czars running around than have existed since Stalin—and I mean this sincerely. Why in the name of God Congress would delegate to the Secretary of the Interior and through him to the Bureau of Land Management, to use discretion in granting surface rights and use thereof, etc., I will never know. They should by the same token surrender their oaths of office to themselves—but I guess I get too angry every time Congress does delegate their power and authority to some agency. They should begin to realize they are going to delegate themselves out of office entirely.

SENATE SHRUGGING OFF POWERS TO EXECUTIVE

Mr. President, over the last few years the Senate of the United States has done just about that. It has just about legislated itself out of existence, as far as effectiveness is concerned. Every proposal which comes to the Senate floor to delegate authority to the President of the United States is passed almost without question.

I have stood on the Senate floor for 9 years and watched that done, and it was done for 12 years prior to that time.

CONSTITUTIONAL RESPONSIBILITIES SET ASIDE

Act after act was enacted which delegated the constitutional responsibility of the legislative branch of Government to the executive branch. Then the executive delegates it to a person in a bureau of whom no one has ever heard and of whom no one will ever hear, but that person makes the decisions.

I suppose it is easier to do it that way, because to make one's own decisions here on the Senate floor might be criticized. One of these days Congress is going to be criticized for delegating its constitutional authority to the executive branch of the Government.

CONSTITUTIONALITY OF TRADE ACT UNDER TEST IN COURTS

There is now in court a case concerning the constitutionality of the 1934 Trade Agreements Act, the Geneva General Agreement on Tariffs and Trade, which is a Tinker-to-Evans-to-Chance setup.

The Constitution of the United States charges the legislative branch of our Government with the responsibility of regulating the national economy, foreign trade through setting the duties, imposts, and excises, which we call tariffs. What does Congress, the legislative branch do? It transfers that responsibility to the executive branch, and the executive branch transfers it to Geneva, 3,000 miles away, to GATT—the General Agreement on Tariffs and Trade—where representatives of 34 nations sit down to divide the markets of this Nation among them. There was no game until we decided to go into it for 3 more years through the House bill—H. R. 1. There would have been no game if we had not extended the 1934 Trade Agreements Act. But when we sat down in the game at Geneva we were putting in the pot our markets, so the game goes on with 34 nations—33 boosters in the sucker poker game—and us. Every other nation protects its own industry. We are the only people not for our country.

TRADE AGREEMENTS A DODGE TO AVOID TREATY ACTION IN SENATE

Mr. President, the communication from which I have just read is only one such communication. I have received dozens of them. Why did the Bricker amendment provoke a great controversy over the Nation, when almost two-thirds of the Senators voted for it? When that many Senators vote for such an amendment, the situation must be serious.

The people of the Nation are tired of Congress delegating its constitutional responsibility to the Executive. That is why that happened.

They are tired of having this Nation make trade treaties with foreign nations, calling them trade agreements, not treaties, to avoid coming before the Senate of the United States for a two-thirds vote.

These trade agreements are treaties, Mr. President. In the Federal district court in Washington the only woman Federal district judge has that question under consideration. I am of the opinion that she is a real American.

I refer again to the letter from Mr. Harold Morse:

To show you that other people are beginning to think about the racket that is now being operated by a mess of crooks selling surface rights to Government land, I am enclosing the following:

A letter which appeared in the Los Angeles Times of Sunday, June 5, 1955, from a person who apparently was stung and was advising others not to get stung likewise.

An advertisement which appeared in the Los Angeles Times on Sunday morning, May 15, 1955.

An editorial which appeared in the Los Angeles Times on Saturday morning, April 30.

Of course, at times it is a very conservative newspaper and perhaps you had read the editorial but in any event it answers in part that portion of your letter to me in which you stated you sometimes wondered if anyone appreciated your efforts along certain lines mentioned in your letter. I would say offhand that the editorial in the Times commends your personal efforts very highly, and I might add that if the late Harry Dexter White were now alive he would be red hot and riding full herd in support of the so-called multiple use of surface rights, being Senate file 1713.

I again respectfully urge you not only to write a minority report but to take the floor of the Senate, not only as a Senator but as a mining engineer, to see if you can't convince that body to leave our present mining laws alone as we certainly don't need any more State socialism or any more czars in the Bureau of Land Management—but I guess I'd better quit.

Sincerely yours,

HAROLD M. MORSE.

So even an attorney gets discouraged at times, Mr. President.

I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the dispatches referred to in the letter.

There being no objection, the letter, advertisement, and editorial were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times of June 5, 1955]

CAUTION URGED ON LAND DEALS

This letter is written in the hope that it will spread a word of caution to people contemplating or already making application for lease and sale of United States Government 5-acre tracts near booming Las Vegas.

There is much misrepresentation and misunderstanding regarding the facts on the requirements of the Bureau of Land Management, United States Department of the Interior, to acquire title. As a consequence, there will be a lot of unhappy people after the 3-year lease period is completed.

So-called land locators are nothing but a private service and some of their salesmen are clouding the facts and exaggerating what must be done to meet requirements as laid down by the United States Government.

First check with the Bureau of Land Management, Nevada State Office, Post Office Building, Reno, Nev. This writer wishes that he had checked on facts on the three methods to meet requirements and not listened to double talk to determine if:

1. You only have to put up a shack, fence, or "bed down" a trailer on the 5 acres or if you have to construct a house or cabin in compliance with Clark County, Nev., Building and Sanitation Code.

2. You only have to dig a water hole 5 or 6 feet deep or if you have to have a domestic water well drilled by a licensed well driller in compliance with the specifications of the State engineer of Nevada (and this type of drilling runs into money).

3. You, in an outright purchase arrangement of the 5-acre tract, pay the Government's fee of $25 and the locator's fee (usually $100) plus what the locator told you was the appraised value per acre or if you pay the Government's fee of $25, the locator's fee, the appraised value per acre (set by the Government—perhaps not what the locator stated) plus $700 more to the Government.

Also if:

The payment of $25 and the locator's fee includes escrow, lawyers, and surveying fees or if no escrow or lawyer's fees are necessary and the only surveying done was done by the Government on a large scale (not for 5-acre tracts).

The appraised value of the 5 acres the locator quotes is the Government's figure or if the Government hasn't appraised the land as yet and when it does the appraised value will be much more than the salesman stated.

There are honest locators and there are dishonest ones.

The racket for the dishonest land locators is a sweet one. They receive $100 to make out a form, put it in an envelope and affix a 3-cent stamp and mail it. Then they have 3 years (during the lease period) to clean up and be on their way before the facts come to light and the roof blows off.

Be cautious—learn the facts from the party with whom you are doing business—the United States Government, Bureau of Land Management.

L. E. D.

LOS ANGELES.

[From the Los Angeles Times of May 15, 1955]

Exercise your rights as a United States citizen. You as a native-born or naturalized citizen over 21 have the privilege of claiming up to 5 acres of Government land. Choice locations now available near booming Las Vegas, Nev. Land-filing service open daily, including Sunday, 9 a. m. to 9 p. m., in Hollywood, 1213 North Highland, HO-56111; in San Fernando Valley, 14802 Ventura Boulevard, STate 49951; in Long Beach, 806 American Avenue, L. B. 77469.

[From the Los Angeles Times of April 30, 1955]

HEMISPHERE RESOURCES AND DEFENSE

There is an important paragraph contained in the report filed by the United States Senate's subcommittee entrusted with a study of the availability of strategic materials which would be needed in the event of another war. The paragraph is this: "The Western Hemisphere can be defended and will be the only dependable source to the United States of critical materials in the event of an all-out war."

COUNSEL BY EXPERTS

This was the summation of an investigation which took the better part of a year and in which more than 360 witnesses, representing some of our most distinguished scientists, engineers, military and economic experts, gave their advice and counsel. The end result was, in their opinion, that the United States and Canada, with the close cooperation of the countries of South America, can provide themselves with all of the materials of modern warfare without reliance on the countries of Asia and others scattered in far parts of the world.

These materials range from antimony and asbestos to vanadium and zinc with such familiar items as rubber, tin and manganese included in between. In all, there are 77 minerals and materials listed as essential to the capabilities of the United States in fighting a major war, and in practically every instance the subcommittee, which was headed by Senator GEORGE W. MALONE, of Nevada, reports that our own hemisphere is able to meet the needs that would arise in the time of a major war.

It is on the premise that we are not taking full advantage of the potentials that exist in our own production of strategic materials that the Malone committee report makes some of its strongest points. There is the case of titanium, for example. It is among the most modern of metals, light, durable and strong, and its use in modern fighting planes is a must if our Air Force is to be considered as a first-class fighting force.

TESTIMONY GIVEN

Yet the testimony presented before the Malone committee showed that we are producing approximately 2,000 tons of this metal annually—with two-thirds of our production concentrated in one State—when the considered judgment of witnesses before the committee was that we need a minimum of 150,000 tons annually in the production of military planes alone.

Titanium ores abound extensively not only throughout the United States but in such other countries as India, Australia, Norway, Brazil, Sweden, and—significantly—the Union of Soviet Socialist Republics. It is scarcely to be doubted that the Soviets are taking full advantage of all the titanium ores they can lay their hands on.

As far as titanium is concerned, it is a case of not making the most of our own natural resources. With such things as rubber and tin, however, we long depended on Malaya as a principal source of supply and our complacency in this direction received its first rude jolt when the Japanese plunged us into World War II. We built up a synthetic rubber industry, of course, which helped meet the emergency and we scraped and skimped on not only rubber but tin and scores of other materials that we formerly had brought to us from faraway shores.

The chief thing now, as the Malone report points out, is whether we are going to continue to depend on long-overwater shipments of vital materials to this country in the event of a new war. Such shipments were a hazardous enough undertaking in the days of World War II under the constant threat, as they were, of submarines and aircraft which have long since been outmoded.

POTENTIAL ENEMY

Convoys which were mauled and hurt in some degree by the Nazi submarine wolf packs in World War II would face obliteration in the explosive vaporization of a single atom bomb in the event of another world war. And there is no guaranty, either, that the foreign countries from which we obtained so many of our vital resources in the past would be kindly disposed toward selling them to us; particularly those which are within range of quick atomic destruction from our potential enemy.

The Malone report says that the natural resources and the technical ingenuity of the United States, Canada, Central and South America are such that this hemisphere with the proper planning and foresight can stand on its own two feet and live and protect itself, for and by itself alone, if ever such an emergency should arise.

It is an encouraging departure from the thought insidiously promoted in some sections of former administrations that the United States must always depend on the importation of certain strategic materials from lands far across the seas. Among the ardent advocates of such viewpoint in the Truman-Roosevelt administrations was the late Harry Dexter White, who has been revealed as an obedient servant of the Soviet espionage ring that was active in his time in Washington.

BIG INDUSTRY FOR SYSTEM—SMALL PROSPECTOR OUT IN COLD

Mr. MALONE. Mr. President, the Times editorial is a description of Senate Report No. 1627, a digest of 10 volumes of testimony of 360 witnesses showing how the Western Hemisphere can become self-sufficient in the production of critical materials. This report and hearings are by the Minerals, Materials, and Fuels Economics Subcommittee of the Interior and Insular Committee, of which I was the chairman.

Mr. President, I refer to page 192 of the printed proceedings of the hearings on S. 1713, which were held in Washington, D. C., in which 8 or 10 witnesses appeared, including only 1 man who had had any experience whatsoever in mining. All the rest were Government officials, or persons hired by an organization to put this bill over.

In this connection, I refer to the testimony of Mr. Holbrook. He was the principal witness. He works for a large company in Salt Lake City which would benefit from a leasing system.

Any large company which has the money to pay attorneys and engineers and keep them continuously on the payroll cannot lose under a leasing system; but a prospector who has nothing but his food supply—and many times a poor one—and who lives on one of these claims, would be put in jail for nonpayment of salary if he employed a lawyer or an engineer, because he does not have the money.

TESTIMONY OF COLORADO MINING SPOKESMAN CITED

I refer now to the testimony of Mr. Robert S. Palmer, executive vice president of the Colorado Mining Association. He is also in the uranium mining business. He was discussing minerals which are discovered by persistent prospecting and exploration. The prospector can own the mineral when and if he finds it.

Perhaps in one out of 500 locations a prospector will discover a small property which will produce some paying ore. The difference between ore and country rock is the profit—ore is country rock that can be mined at a profit. Out of 500 properties which produce some paying ore, there may be one big producer, if people are willing to gamble. But the gambling does not pay off for everyone. We hear only about the successful miners.

In connection with Virginia City in the old day, we hear about the Mackeys, the Floods, and the Fairs, making millions of dollars. We do not hear of the thousands of prospectors who honeycombed the hills around Virginia City, 17 miles out of Reno, and died broke.

If one were to calculate the value of the labor expended in those hills, he would probably find that more money in labor and supplies was put into those hills than was ever taken out--and a billion dollars was taken out.

PROPOSED BILL WOULD HAVE STYMIED WESTERN MINE DEVELOPMENT

What would have happened if those operations had been under the direction of an official of a Bureau of Land Management who handled cattle and sheep, and did not even know much about that subject? He would have told the prospector that no prudent man would dig where he was digging—and get rid of him.

For months a type of silver ore was being thrown away as waste, and the mines were not paying. It was a murky looking ore, a kind of blue mud. No one had ever seen anything like it. Most of the prospectors went broke and left or disposed of their holdings before the values were discovered. Then someone had the blue mud assayed, and that ore proved to be the highest paying silver mine in the world.

Under a leasing system, long before that time the prospectors would have been put off by a graduate of some college who came out there to regulate cattle and sheep, on the theory that no prudent man would dig there. And he would have been 100 percent right—but thank God they were not prudent men—they were prospectors and miners—fighters with the look of the eagle in their eyes.

After testifying for several minutes before the committee, Mr. Palmer said:

I say that officially we agree with you on this legislation. We are trying not to disagree with you. If it were sponsored by others we certainly might.

He is speaking to the acting chairman of the committee [Mr. ANDERSON], who has always supported the mining people. He said:

You are Chairman of the Joint Committee on Atomic Energy.

URANIUM EXPERIENCE CITED AS EXAMPLE

I should like to illustrate how wrong one can be with respect to this subject.

As late as a year ago the former Chairman of the Atomic Energy Commission wrote a book—I refer to Gordon Dean—

Mr. President, I have a high regard for Gordon Dean. I think he was one of the best chairmen the Atomic Energy Commission ever had. I think he is an honest man, an earnest man, a man of integrity, and a man who understands his business. He wanted to be helpful—but he was wrong. He was reporting, as of that time, the knowledge which was available.

As late as a year ago the former Chairman of the Atomic Energy Commission wrote a book—I refer to Gordon Dean—A Report on the Atom, which led the reader to conclude that there were no substantial amounts of primary uranium ore in the United States. In other words, the United States was largely dependent for its sources of atomic energy on outside sources.

PRESIDENT'S SPEECHES RECALLED

Mr. President, I digress from that testimony to say that 3 years ago the President of the United States made certain speeches on this subject. About certain areas that we must protect to secure certain minerals. I do not blame the President of the United States, because certain information was placed before him. He, of course, had no personal knowledge of the situation. He has not made any such speeches lately—not since last August.

Reading further from the testimony:

Senator ANDERSON. That is not the interpretation of that statement, I don't believe. Gordon Dean knows that the Colorado plateau is full of uranium, and says so in the book A Report on the Atom.

Mr. PALMER. Gordon Dean specifically stated in the book that there were no substantial amounts of primary uranium ore in the United States.

Senator ANDERSON. Is there?

Mr. PALMER. Since that report the people to whom you have referred as going out and locating mining claims have uncovered primary deposition of substance in the United States. Just before leaving the West it was announced—

This was on the 19th of May—

that in a new area in Utah which had previously been pronounced barren, uranium ore was being found as a result of drilling. Claims which some people would have condemned as invalid locations were now valid.

PROTECTING CLAIM NOW DIFFICULT, EXPENSIVE

We have even had testimony to the effect that a man who has plenty of money, and who is in the uranium business in that locality, has hired people to dig continually on each claim, so that there can be no doubt that it is a valid location, because if one of these bureau officials, who got all his information from a book or in school, but has acquired no actual experience, came out there, they would be able to put him off the land, because he could not hold the claim without a discovery on which a "prudent man dig" or have a man continuously digging to hold the ground even under the 1872 act if he was to hold the ground against the onslaught of the horde of bureaucrats.

Mr. Palmer goes on to say:

Claims which some people would have condemned as invalid locations were now valid. Because somebody had sense enough to put down a drill hole, and ore was found at a depth.

Mr. President, the Senator from New Mexico is quoted as stating:

Gordon Dean and I discussed that before his book was published and while he was engaged in the writing of it. So I say to you that it is a confusion of terms. He understands that there is uranium in this country.

HARRY DEXTER WHITE THESIS STILL HELD BY SOME OFFICIALS

However, Mr. President, high officials in this Government, especially those who are not particularly interested in this Government—the modern Harry Dexter Whites—were saying that there was no uranium in this country, as they had been saying for 20 years that we were running out of other minerals and as Harry Dexter White said in a memorandum to Secretary of the Treasury that we only had a 12-year supply of petroleum—that it must be saved for emergencies while we imported what we annually used. Silly but dangerous to our national security. The modern Harry Dexter Whites said that therefore we must defend Africa and we must defend Europe and Asia in order to import those critical minerals and materials.

HEMISPHERE SELF-SUFFICIENT IN URANIUM, CRITICAL MINERALS

After the Minerals, Materials, and Fuels Subcommittee had written its report and submitted it to the Senate on July 2, 1954—and the report had been printed as Senate Report No. 1627—I said to a high Government official, "If you will just treat our taxpayers half as well as you do the foreigners, you will have uranium running out of your ears in the United States within 2 years. If you add Canada and Mexico, that is all the area you need from which to get your uranium."

As I have said so often, and as it stated in the report, we could produce all the critical minerals and materials in the Western Hemisphere that we need to fight a war or to live in peace. No one has questioned that statement.

UNITED STATES MINERAL OUTPUT WILL INCREASE IF CONSTITUTION FOLLOWED

In the report we said that the production of critical minerals and materials could be materially increased in this country if we acted in accordance with the Constitution of the United States and recommendation No. 2 in the report. That Congress reassume its responsibility of regulating foreign trade and the national economy—in accordance with article I, section 8 of the Constitution.

PALMER TESTIMONY REPRINTED

Mr. President, I ask unanimous consent to have printed in the RECORD at this point Mr. Palmer's testimony on pages 193 to 204 of the hearings.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

Senator ANDERSON. I am sure there must be a misunderstanding as to his use of the term because at the time he wrote the book, just prior to his writing the book, he discussed with me the large mining in New Mexico which has $100 million worth of uranium ore. You and I know which State now has the largest undeveloped uranium ore deposits in the Union.

Mr. PALMER. I recognize your leadership, sir.

Senator ANDERSON. Gordon Dean and I discussed that before his book was published

and while he was engaged in the writing of it.

So I say to you that it is a confusion of terms. He understands that there is uranium in this country.

Mr. PALMER. Yes as to the deposits which are not considered as primary. I think the term I am using is correct. I think the term used by Gordon Dean was correct at that particular time. I am not criticizing Mr. Dean. I have a very high regard for him.

But the point I make is that some people are criticized for making questionable locations, which later developments prove are very much in the public interest. The people who are primarily responsible for the uranium development in the United States are not major companies and are not necessarily engineers or capable locators but just average Mr. America. The people who have brought into production the major deposits of uranium in the United States have been the prospectors concerning whom Senator GEORGE MALONE has addressed a great many of his comments.

I wish to point the value of the prospectors.

Senator ANDERSON. I don't argue this question of prospectors, not only in these minerals but in oil. We all know the story as to who digs up the new fields and brings them in.

As I say, I recognize that you don't always succeed.

You are familiar probably with the mining venture that I got myself into in the northern part of New Mexico.

Senator MALONE. Mr. Chairman, I would say right at that point, and I think the distinguished Senator from New Mexico, if he stops to think, knows as well as the Senator from Nevada or the secretary of the Colorado Mining Association, that it is the wildcatters and prospectors without adequate funds, many times without any funds, to carry through the operation, that go out and find this material—oil, gas, and minerals—because they just have nothing better to do. They spend their lives doing that. If they hit it, they make some money; that is, if Washington does not interfere with it; and if they do not hit it, they die broke.

Hundreds die broke where one makes it. We all know that. It is a fever.

Now, the men with the money generally are represented by an engineer of some reputation. He sends his engineer in after the discovery has been made. These engineers really go out on exploration ahead of time.

Now, they do have some that do that, but the majority of the explorers and prospectors and wildcatters are financed by their friends or through selling stock.

I could name 5 or 6 men that have money or have backing, like Odlum, who has gone in and bought out 1 man that did not know any more about prospecting for uranium than my grandson, bought him out for $9 million or $10 million. He says himself in his life story that he knew nothing about uranium, but he went in there with his wife and they worked like a pair of slaves and they had a little luck of the Irish and they found some ore that the money was attracted to.

I could name 5 or 6 that have gone in there, but they did not go in and find it. They go in on some of these people that found it on the claims that these experts, these soft-cushion experts in Washington, would have run off the claim.

They are the people I am talking about.

The fellows that these men have testified to, this is the second day, would not let these people go. They would say no prudent man would put his money in there. Of course, they wouldn't. But they are not prudent men, these wildcatters, in the oil and gas. They are not prudent men these prospectors. They are men sometimes at the end of their rope. They have to do something and they have this fever. When they get the showing, which 1 out of every 100 maybe gets, gets something like Odlum or someone representing them, and they buy control.

Very often the man who sells it doesn't make much money, but it is a good deal to them. But they have money to lose. But the men we are interested in are the men these people have been talking about for 3 or 4 days. What did they call it? They had a name for it. Fraud. That is what they said. These are fraudulent claims that this man found this uranium and got $10 million. That is a fraudulent claim, if these fellows had examined it ahead of time.

Senator ANDERSON. That is not correct.

Senator MALONE. There is nothing in there that a prudent man would put money in.

Senator ANDERSON. Let me ask this question: Is it any cheaper for a miner to defend himself under the rules and procedure now established under the law of 1872 than it would be under S. 1713?

Mr. PALMER. The answer to that question obviously as to the validity of his claim is "no." But the full answer to the question is that there is an obligation placed upon the locator under the terms and conditions of this bill which does not exist in the present legislation.

Senator ANDERSON. As to surface rights not needed for mining?

Mr. PALMER. Well, of course, people may differ as to what surface rights needed for mining are.

May I point out, to you, Senator, that there are some other questions involved in this bill which are quite substantial. For example, at the present time, they are finding uranium in conjunction with coal beds. Now, under the terms and conditions of this bill it is possible for a licensee to acquire coal lands and to have a very definite advantage over a locator of uranium on the same area; that is a question which I do not think can be decided at this hearing, and undoubtedly will require some interpretation.

I understand the commission is giving it some thought and consideration at the present time.

Senator ANDERSON. Let me say that when that arrives, I will try just as hard as I tried on the original Public Law 585 to be fair and to be helpful to the people in that area as will Senator MALONE and everybody else. I do not believe we have different goals. I do believe very strongly that the continued filing of mining claims for the purpose of getting surface rights and not intending to try to get the minerals is placing the whole mining program in jeopardy. Such practices make it more difficult to be of assistance to mining than it has been in the past.

My whole purpose in sponsoring this proposed legislation from the very beginning was to try to make sure that we did not get so many bad practices that the prospecting for minerals would get into difficulties. I still hope to keep it on that basis.

Mr. PALMER. Will there be bad practices under your law as well as under present law?

Senator ANDERSON. I think there will not be. I think, for example, the people who go and try to acquire a piece of mineral land for the sake of water and timber will not do it.

Mr. PALMER. I wish to point out, Senator, and I am sure you are familiar with the area in which most of the uranium is being found, that it is not in a green forest with a babbling brook flowing through it but an isolated area where temperatures go as low as 25 or 26 below, where mud conditions are extreme and where sand and other difficulties are encountered causing a great hardship for those miners who seek to locate claims in these areas.

Senator ANDERSON. I agree with you completely. I wish you would do this, Mr. Palmer, if you have any additional suggestions with regard to this bill or any additional points that are at issue, that you would submit them to the committee.

We do not want you to feel that we are not interested in your opinion. We are very much interested.

Mr. PALMER. Thank you very much.

Senator MALONE. Mr. Chairman, I would like to ask Mr. Palmer a couple of questions because I think it might clear up some of the uncertainties in the testimony.

Would you for the record, Mr. Palmer, give us a statement on the coordination of the Federal and State laws as far as the location of mining claims is concerned, whether the Federal laws cover it and the area covered by State laws?

Mr. PALMER. May I call your attention to the fact, Senator, that the State of Colorado and the State of Wyoming have recently amended the location requirements?

Senator MALONE. This is important, Mr. Chairman.

Mr. PALMER. In other words, doing away with the necessity of the former requirement of a 10-foot pit or shaft. Both of those statutes have nothing to do with discovery but simply with location shafts and, under new procedure both in Colorado and Wyoming was adopted permitting other methods of discovery. These State laws were designed to do away with the criticism that bulldozers were being used across the country and ruining the grazing and forestry areas. No longer in these two States, nor in Utah for that matter, is it necessary to sink a location shaft.

I think the practice in Wyoming and Colorado will be to use other methods of discovery of minerals in place rather than digging a pit 10 feet deep; such a shaft is still required in Nevada, I believe.

Senator MALONE. That is a pit?

Mr. PALMER. That is right.

Senator MALONE. Now, you changed the law there so that the required amount of work, $100 worth of assessment work, can be done in a different way?

Mr. PALMER. A drill hole is sufficient.

Senator MALONE. If you spend $100 in diamond drilling, for example, you have done your work?

Mr. PALMER. And make a discovery.

Senator MALONE. That, then, is in the control of the State itself, is it?

Mr. PALMER. Well, the discovery provision is a Federal provision.

Senator MALONE. But the method of discovery?

Mr. PALMER. The method of discovery or the regulation is a matter of State requirement.

Senator MALONE. The discovery that is required by the Federal statute has nothing to do with the type of work?

Mr. PALMER. That is right.

Senator MALONE. Does it specify the amount of work?

Mr. PALMER. It simply is that the accepted definition of a discovery is a mineral in place and such quantities as will justify a reasonable person in pursuing the development of his claim.

Senator MALONE. That is now the law?

Mr. PALMER. That is the law.

Senator MALONE. The point is, then, that there is no requirement in the Federal law that any work be done at all. If you make your discovery in an exposed ledge, that is all that is necessary?

Mr. PALMER. That is right, except the annual assessment requirement of $100 a year.

Senator MALONE. That is a Federal law?

Mr. PALMER. That is a Federal requirement.

Senator MALONE. That is what I wanted to establish for the record. How you do that $100 worth of work is within the purview of the legislature of the State.

Senator ANDERSON. The discretion of the individual, is it not?

Mr. PALMER. The detailed requirements are generally set forth in State legislation on location. I know of no specific provisions on annual assessment work but the courts have

held consistently that the work must be done in improving the property.

Senator MALONE. You say that the law has changed from a 10-foot shaft in Colorado and in Wyoming to allow the work to be done in another manner, like the diamond drilling?

Mr. PALMER. That is right; that is in the establishment of your valid location.

Senator MALONE. And could be by a bulldozer?

Mr. PALMER. It can be done by a bulldozer, yes.

Senator MALONE. In Utah, you say it is still a law that you have to have this 10-foot shaft?

Mr. PALMER. No, it has never been the law in Utah but it is the law in Nevada, I believe.

Senator MALONE. But that has not been changed?

Mr. PALMER. That has not been changed.

Senator MALONE. And you still have to have the 10-foot shaft?

Mr. PALMER. That is right.

Senator MALONE. For discovery?

Mr. PALMER. Yes.

Senator MALONE. And to do the assessment work?

Mr. PALMER. It has nothing to do with the assessment work.

Senator MALONE. Establishing the location?

Mr. PALMER. Establishing the validity of your location; that is right.

Senator MALONE. In other words, if you in Nevada discovered a ledge, outcropping, you still have to sink your 10-foot shaft?

Mr. PALMER. Senator, that is a matter of Nevada law and I am not thoroughly familiar with the court interpretation in your State, but I feel reasonably sure they would follow the same reasoning and procedure which exists in Colorado.

Senator MALONE. But it is the law?

Mr. PALMER. It is the law.

Senator MALONE. Now, as long as that is the law, that you have to have a discovery, then, if I have followed your testimony, all the departments have to do is to enforce the law?

Mr. PALMER. That is correct.

Senator MALONE. Now, I am very much interested in your testimony and your resolution there that this act, if it is passed, be confined to the forest areas.

Does your resolution confine it to the forest areas or the forest reserves?

Mr. PALMER. To the national forests, the reason for that being that the complaint we have read in the press has generally been designed to impress the public with the incorrect idea that miners are going out and making locations in forests and destroying the forest reserves of the Nation.

If that is the intent and purpose of this legislation to correct that, then why should these isolated areas such as I have mentioned in the Four Corners district in which uranium is being found be placed under this particular type of legislation?

Senator MALONE. Is it not a fact that the areas in States like my own State of Nevada are practically all isolated when you get away from the small towns and the population centers?

Mr. PALMER. That is correct.

Senator MALONE. So that what we have been trying to do over the years is to induce people to go out there and do a little digging and to acquire property; is that not right?

Mr. PALMER. That is right.

Senator MALONE. What happens when a man locates a mining claim and he has a valid location filed, keeps up his assessment work; is he subject to the county assessor waiting on him just the same as any other property?

Mr. PALMER. That is correct. In Colorado and in your State they have the right to assess and in Utah they have the right to assess unpatented mining property.

Senator MALONE. That is up to the State?

Mr. PALMER. That is up to the State.

Senator MALONE. The Federal Government does not interfere with it one way or the other?

Mr. PALMER. That is correct.

Senator MALONE. Now, the Federal Government comes in and if there is an income from the sale of this ore or the sale of the property, then the United States Government gets is share according to the law?

Mr. PALMER. That is right.

Senator MALONE. I think you covered this particular question that I had in mind but are you familiar with the fact that prominent officials in this Government, very prominent I might say, are making continual speeches up until last summer that of course we had to defend Belgium in order to get uranium from the Belgian Congo because there was no adequate amount here and that it was just assumed up until very recently that there was no adequate amount of uranium in sight; is that a fact?

Mr. PALMER. That is correct.

I call your attention to the often-cited illustration of a meeting in the Blair House, at which time it was represented that unless certain secrets were disclosed with respect to the manufacture of atomic energy, that our foreign supply of uranium would be curtailed or cut off.

Senator ANDERSON. I have no knowledge of such a meeting.

Mr. PALMER. It was attended by the two Senators from Colorado—Senators Millikin and Johnson. I understand the decision was made that the information would not be disclosed and that the program of the Atomic Energy Commission was adopted which encouraged the production of uranium in the United States and we have found substantial deposits here which many feel would make us self-sufficient in case of an emergency.

Senator ANDERSON. When was that meeting?

Mr. PALMER. Approximately 1948, I would say.

Senator MALONE. There was much publicity at the time, not of the meeting, Mr. Chairman, but evidently the result of this meeting that unless publicity throughout the country fostered by international mining publishers, and I could name a good many of the people that would make us break down and cry, that unless we disclosed these secrets they would do the same thing in uranium that they had recently done in monazite sands in India.

They thought we did not have monazite sands so in peacetime India curtailed the shipment of monazite sands, not that they needed the money but they thought they could blackmail us into another agreement. That is exactly what was attempted under this uranium setup.

Now, this committee rendered a report last August with which the chairman of this committee is fully familiar and assisted in the work, and since that time there have been no such speeches made by any prominent Government official that you had to go across an ocean to get such material. I do not believe there will be any more made because it would be very embarrassing.

I want to call attention to the fact that this publicity is carried forward for another objective, in the opinion of the Senator from Nevada, to carry out something that they want to do, having an objective, and then they use this shortage of this material as a weapon.

Many people want to buy all of the materials from the foreign nations and I guess they are going to accomplish that unless the people rise up and destroy the foundation for it, which I feel they will do in time.

One more question in that regard. The people that have really discovered these minerals and are profiting by it, are they always the experts and engineers that have found them? What kind of people are they?

Mr. PALMER. No; I have stated that most of the men who have been the most successful are the inexperienced prospectors.

One man from Minneapolis found one of the most substantial deposits.

Senator MALONE. Do you think the experts in the Forest Service or the experts in the Bureau of Land Management would be qualified to determine whether a man had a valid location or not?

Mr. PALMER. Well, there has to be some reasonable gage, I will admit that. I will say that even in the opinion of Mr. Woozley, the field examiners have been incorrect in some of their examinations.

Senator ANDERSON. That, however, could likewise be said about some of the people who have made examinations of oil properties?

Mr. PALMER. Correct.

Senator ANDERSON. They said, "You have a good prospect here and a bad prospect there." You develop the bad prospect and get oil and the good prospect is a dud.

Senator MALONE. You are right, Mr. Chairman. For 50 years the geologists said there was no oil in a volcanic area. In Nevada we forgot it, they were experts.

I was in school when they first made that statement. Finally, in Utah some of these wildcatters got off the reservation and spent money in an area where the Bureau of Land Management would not let them locate in the first place and they hit an oil well.

We now have an oil well in the middle of Nevada and the geologists say that it is likely it will spread over a considerable area.

We are all familiar, of course, with the great worry of the Department of the Interior over a couple of decades that we were running out of oil and had to save it. Now it is running out of our ears and we do not know what to do with it, but due to the wildcatters, not the people who come out of Chicago and New York and get these nice jobs down here out of school and immediately become experts.

What is the history of mining? You have been familiar with it, Mr. Palmer, over a long period of years. When these fellows who do not know anything about it go out there and finally get it, 1 out of 5,000 of them because the rest die broke, what becomes of this prospect? Does he carry it through, or does someone with plenty of money set him up as part owner to go on and develop it, or how is it done?

Mr. PALMER. The trend on the plateau at the present time is consolidation with substantial financial interests in the further exploration and development of the properties. I think that has been the history of the mining industry, generally speaking, that many the small miner under trends in world events has been pushed out of business and some more substantial people have been able to take over properties and operate them.

I think that one of the tragedies throughout the United States is the slaughter of the small miners.

In your State of Nevada, I used to attend large meetings where there would be thousands of people who were in the mining business.

In Colorado we used to have thousands of small miners before the uranium boom.

In New Mexico, when I used to address the New Mexico Mining Association, it was composed of a large number of small operators.

I would say that conditions are quite changed today.

Senator MALONE. To what do you attribute the decrease in the number of enthusiastic small prospectors, miners?

Mr. PALMER. Well, there are quite a few factors. I would say that had this committee passed a piece of legislation in which our group was very much interested, or had the Congress passed that legislation, I

think much of the difficulties which exist would have been alleviated.

I think that it has been well established that with cheap transportation from abroad by boat, with low-cost labor abroad, with the international trend that seems to prevail, that it is possible to import materials into the United States at a much lower cost than they can be produced in the United States under American standards of living.

Senator ANDERSON. Could I break in to ask you if you had reference to S. 2105 that we struggled with in this committee as one of the things that might have helped?

Mr. PALMER. I want the chairman to know that the mining people throughout the Rocky Mountain region are still deeply grateful to the chairman and the other members of the committee for the great battle you put up in behalf of that legislation.

Senator ANDERSON. We tried hard. Senator MALONE and I went down together on each one of those rounds.

Senator MALONE. I want to follow just a little further.

Is the fact that we have put our miners in direct competition with these low-wage countries in the matter of the production of these minerals, has that had anything to do with the lack of young people going into this business?

Mr. PALMER. It has made the mining business, up until the incentives which were offered for uranium, very unattractive, and I think that in the event of an emergency in the United States, we are going to find a definite shortage of experienced miners.

Senator MALONE. This uranium incentive, that is a fixed price to 1962?

Mr. PALMER. Right.

Senator MALONE. I predict that after 1962, you will either have to extend the special price or guarantee for a substantial length of time or you will have to have a tariff on uranium to stay in business.

Is it not a fact for as long as I remember, which is quite a considerable length of time, that most of these prospectors and miners that are out there without capital, their chief hope is to discover something of a nature that an engineer that represents capital will come down and look at it?

Is that not the common talk which has been going around for 30 or 40 years?

Mr. PALMER. Well, I think that is correct, Senator.

Senator MALONE. Then the hope is that he will recommend that one of his clients spend a few thousand dollars to go deeper to find out whether he has anything; is that right?

Mr. PALMER. We find that $10,000 for developing a mining claim today is insignificant as compared with a few years ago.

Senator MALONE. Well, that is true, but as long as these people can make money with discovery, if they made a lead discovery or tungsten discovery, generally a prospector had a pretty good idea how rich it had to be to interest anyone but as long as the condition prevailed that when he discovered a deposit of a certain value per ton, they knew they would operate; would they not?

Mr. PALMER. Yes.

Senator MALONE. What is the reason they are not operating there now, that if they make the discovery they still cannot make any money?

Mr. PALMER. That is correct.

Senator MALONE. I think, Mr. Palmer, you have made a great contribution to the testimony. You are the only one, so far, with any mining experience to appear before the committee.

I say again, Mr. Chairman, that I would like very much that the importance of this legislation I have noticed over a period of years that it is not the legislation that you do not pass that hurts the country. If we could have time at the end of this session to hold hearings out through the mining country and get some evidence from people who perhaps cannot afford to come back here on their own and do not represent an association, and do not represent a Government department on an expense account, I believe this committee would be in a much better position to pass on a modification of the mining law.

I wanted to ask once more the question if you would have any particular objection to this act if it were confined to the forest reservation?

Mr. PALMER. That is the resolution of our association, that they would support the bill with that reservation.

Senator MALONE. One more. Does your association, your members, or any association that you know about, have they been flooded with information for a considerable time that they would either take some legislation like this or you would get a more restrictive act?

Mr. PALMER. Yes, I think that is the general sentiment; that was the information which has been passed on and is the explanation which has been given as to why some of the organizations which have felt that strict enforcement of the present law would answer the problem have succumbed and are endorsing this proposal.

Senator ANDERSON. Mr. Palmer, you mean in New Mexico? Have you talked in New Mexico to any miner who has that impression?

I have letters without end from down there and not one has told me that.

Mr. PALMER. That is correct.

Senator ANDERSON. Did Joe Taylor tell you that?

Mr. PALMER. No; Joe Taylor did not.

Senator ANDERSON. Can you find me one that did that I do know?

Mr. PALMER. I have a very high regard for Joe Taylor and I respect his judgment very highly.

Senator ANDERSON. You may.

Mr. PALMER. I think that it is a mistake for mining executives in eastern mining offices to make decisions on legislation as important to the average life of the average miner as this legislation is without consulting with the fellows who day after day are confronted with the problem of making valid locations.

I know there is more understanding in the mind of an executive than in the mind of the average miner. I am fully cognizant of the fact that there are pressures here which must be taken into consideration by the Congress, but I would say without any fear of contradiction that if hearings were held on this proposed legislation in most of the mining camps of the West, that there would be very strong opposition to its passage.

There has been strong opposition expressed to me not only by miners but by very, very prominent geologists and mining engineers whose names I would prefer not to mention. A certain amount of leadership is required here and a certain amount of understanding which I think is being exercised by the leaders of the mining congress and others.

If this is to set a precedent, however, then I feel that in other matters, when additional legislation is introduced it would be very much worthwhile to hold hearings in the areas where the miners themselves can attend and express their feelings.

Senator MALONE. Mr. Chairman, this would be embarrassing to some people, but it is not to me. I know all of these people and some of these larger organizations referred to by the secretary of the Colorado Mining Association. I have the highest regard for them. I think they are very efficiently run, they make money, they are wonderful people, and maybe if I were president of one of the companies I would do just what they are doing, because they are working for their stockholders. I want to say to you that legislation that does not touch those people, or if it does touch them it helps them, because any time you can make a thing more technical, make location a little harder to comply with, make it more technical, you help a going concern, large company, at the expense of the smaller fellow, because this thing, this evolution, is going on all the time.

When a man that did not know anything about uranium at all went out and stuck a stake down, and there are probably 5,000 of them out there that have done the same thing but have not made any money, other than this one man who came out with $10 million. Now, he is not too close from now on to the fellow like he was when he started because he is now doing the best he can to promote the whole setup, but he is not down there with them every day.

People that come in with the money, that an engineer represents, people that will spend $2,000, $5,000, $10,000, $50,000 to develop a prospect that a prospector has found, they are not prospectors, and it is making it easier for them to get this from the prospector because he does not have the money, for example, to do what someone testified to yesterday, that the large operators, they have a man on each claim out there. No prospector can do that. When he makes a new discovery he locates 7 or 8 mining claims around it, and you correct me if I am wrong, Mr. Palmer, you are an attorney long experienced in this business.

You can do your assessment work on one spot if it is reasonable to suppose that you can develop the whole group.

Mr. PALMER. If it tends to improve the whole group.

Senator MALONE. In other words, you do your best to locate along the line of the vein or discovery. Maybe you are right, and maybe you are wrong, but you can do it if you have 5 claims, you can do $500 worth of work on one place if you are reasonably sure that it will develop the whole thing?

Mr. PALMER. That is right.

Senator MALONE. Those things are well established in court, as Mr. Palmer has said.

I want to say to you, Mr. Chairman, one more time. I know a lot of these people. I grew up with them. I surveyed their mining claims in their locations and in their further patents, many of them. A lot of those fellows, if they have a tobacco can in their pocket and a piece of note paper to make the location, that is a secondary consideration.

He looks around for that after he makes his discovery. He gets to his county seat and that is as far as he is going to go, or he sends somebody; that location is made. If he had to file with somebody else or if he has to answer a newspaper advertisement to come in and defend himself, he is simply not going to do it in 99 percent of the cases.

Senator ANDERSON. And of course he does not have to.

Senator MALONE. He does not have to if he does not lose some stuff under this bill.

Senator ANDERSON. Not a thing in the world.

Senator MALONE. In other words, he will lose the timber.

Senator ANDERSON. Not if he needs it for mining.

Senator MALONE. If he does not establish it at that time, he has lost it.

Senator ANDERSON. No; he does not lose it.

Senator MALONE. All right, I will read it to you again. It says that after this notice, 9 consecutive weeks of having it published, that if this man does not come in within 150 days from the date of the first publication of such notice, "which date shall be specified in such notice, a verified statement which shall set forth, as to such unpatented mining claim," and then you have 1, 2, 3, 4, 5. I have already read them into the record.

Senator ANDERSON. Yes.

Senator MALONE. If he does not do that, he is subject to these other provisions.

Senator ANDERSON. Those provisions are that he loses his claim to the surface except what is needed for mining.

Senator MALONE. That is right, but he does not know what is needed for mining until several years have passed.

Senator ANDERSON. He does not have to. This preserves him. This preserves all of his rights.

Senator MALONE. In the meantime, they can take the timber off.

Senator ANDERSON. Exactly, and that is what Senator Millikin has suggested, and that is what we are going to try to correct.

Senator MALONE. I should say that there are several things we need to correct, and one of them is to confine it where the damage is being done.

I have no quarrel with the Forest Service, because we have 5 million acres that I hope to get reclassified sometime to put it out of the Forest Service. We will come to that someday here, because it ought to be in the public-land classification and should not be in the Forest Service at all; that is something we can take up later, because if it is a question then of damage done to timber, and it is more valuable for a forest reserve than anything else, and I hear that statement made all the time that, regardless of the mining location, if it is more valuable for something else, a miner should not be there.

I would go along with that, but, Mr. Chairman, I am very reluctant to go along with a bill that digs these fellows out of the canyons, and they have to come in and make a showing and register with an outfit, with a Federal registration, that they are simply, many of them, not only incapable of making without an attorney which they could not hire, but they do not have the money to come in and do it.

Mr. Palmer, I am very appreciative that you have come before this committee. I think you have assisted in establishing a good record.

Senator ANDERSON. I am, too.

Mr. PALMER. Thank you.

EXPERIENCED MINING EXPERTS EXPRESS VIEWS ON BILL

Mr. MALONE. Mr. President, I have in my hand a communication from three men who are in the mining business in Reno, Nev.

One of them is Mr. H. B. Chessher, a broker.

The second man is Mr. W. E. (Bill) Sirbeck, an alltime prospector. He does not claim to be an engineer, but I will take his judgment on a piece of ground long before I would take the opinions of the gentlemen who testified before the committee in connection with the pending bill.

The third is Joe E. Riley, who has produced probably more tungsten in Nevada than any other "small" miner anywhere in the West. He did not do it in Washington, D. C., and he did not do it by arguing with a bureau official who had never seen a mine or had never seen any ground that carried any minerals, because such an official would probably have told Joe, who has had only 30 years of experience in mining, that no "prudent man would dig" on that ground.

No prudent man would have dug on much of the ground that Mr. Riley dug on during the last 30 years. He is a well-to-do mining man today, and he made it all in mining because he was not a prudent man.

S. 1713 SHARPLY CRITICIZED

I hold in my hand a memorandum which I received from these three men. It is signed by them. They are men who are listened to in the mining fraternity. One of them is a broker. One is a prospector and miner. The third is a real down-to-earth miner. He is Mr. Riley.

TEXT OF MEMORANDUM

They addressed their memorandum to the senior Senator from Nevada, and in it they say:

It is our opinion that S. 1713, the companion bill to H. R. 5561, is too broad in its powers under sections 1, 4, and 5. Please note that under section 1, the Secretary of the Interior may dispose, under a lease, of any body of sand, stone, gravel, clay, and also timber and forest products, even including brush products, such as yucca, manzanita, mesquite, and cactus. The aforesaid materials and vegetation, in varying proportions, constitute the main part and parcel of any valuable mining claim. How could anyone expect a small mining claim owner to operate his valuable mining claim, and to make improvements thereon, if the Secretary is vested with the power to issue a lease upon the sandstone, gravel, and clay adjoining, or constituting a part of, the claim owner's ore body?

The bill in its present form, if enacted into law, will permit any large mining corporation, if it elects, to conspire to acquire the mining property of a small mining claim owner, to hire any applicant, so inclined, to apply for and obtain, as the henchman for the large mining corporation, a lease upon the sand, stone, gravel, clay, or any other products named in section 1 that might be found on the small mineowner's valuable mining claim, and in such a manner the effort to mine by the small mineowner could be seriously hampered and interfered with.

He could be forced to engage in endless litigation, thereby exhausting his limited resources until forced to sell his valuable mining claim directly or indirectly to the large mining corporation at the latter's price.

We believe that the entire text of said bill is designed and made to act as a vehicle for any large mining corporation to ride roughshod over the small mineowner, all to be done with the aid and assistance of the Secretary, who, if S. 1713 becomes law under its present text, might innocently act as an aid and accomplice to the scheming designs and fraud that might be inflicted upon the small mineowner. No wonder the large mining corporations, as a general rule, are in favor of the passage of S. 1713.

SMELTER SPOKESMAN PRESENTS CONTRASTING VIEW

Mr. President, I come back to the testimony of Mr. Raymond D. Holbrook, the attorney for the United States Smelting, Refining, & Mining Co., and chairman of the public lands committee of the American Mining Congress.

He speaks for the public lands committee of the American Mining Congress, but his real job, and for which he gets paid, is with a large smelting company, which does not prospect in the same way that prospecting is done by the small prospector I have described. They take them over after they have been discovered and developed to the point that their engineers judge there is a good chance to make a mine.

Mr. President, I was in the engineering business for 30 years. Engineers do not discover mines; they turn them down; they break the hearts of prospectors. But when they do see something they want as a result of the work of thousands of prospectors tramping the hills under the 1872 Mining Act, then, according to those authorities in the mining business they could enlist the Federal authorities in acquiring such ground—they say it is water on the wheel of the large mining companies.

SENATOR COMMENDS MINING COMPANIES IN NEVADA

Do not misunderstand me, Mr. President. I am for the large mining companies. There are some of the best and largest mining companies in the whole history of the United States situated in Nevada and Utah. They are all well-run companies. But sometimes they outsmart themselves. Sometimes we have to protect them from themselves. If we get these little fellows out of the hills, which can be done with an act like this, we will not continue to discover new prospects at the rate needed.

Mr. President, the man about whom I have spoken is Raymond B. Holbrook, attorney, United States Mining and Smelting Co., Salt Lake City. He is chairman of the Public Lands Committee of the American Mining Congress and is testifying as such, but his pay comes from the mining company. I think the American Mining Congress is a great organization, but they should not advocate such a radical change in the 1872 mining law without hearings in the public land mining areas.

NEVADA MINING TRIO'S MEMORANDUM CONTINUED

Continuing reading from the memorandum sent me by the three gentlemen in Nevada who are both experienced and prominent in the mining business there:

Section 4 (b) of the proposed law most certainly is viciously designed for creation of the circumstances hereinabove described. Do you believe any buyer would want to purchase a mining claim containing a valuable ore body from a small mine owner if a henchman of a large mining corporation held a lease from the Secretary of Interior upon any of the products named in section 1?

If you do, Mr. President, it shows lack of experience in this business.

Reading further from the memorandum:

The possibilities for continuous and expensive litigation are enormous and the small mine owner with a valuable ore body could be made the victim and ultimate loser at the instigation of the scheming desire of any large mining corporation.

Your attention is respectfully directed to section 5 of the proposed law. It is in effect an attempt to legislate a scheme by enactment of a retroactive law.

It contains the brazen attempt to force the small mining claim owner to hire an attorney and to spend traveling expenses and time for purpose of defending his valid title previously acquired under existing mining law. In other words, by the imposition of section 5 (b), there exists an attempt to take from the small mining claim owner the rights which the courts have repeatedly held were his, as is evidenced by a long list of mining decisions.

By enactment of the proposed law containing section 4, you will observe the bill is so written as to make all unpatented mining claims previously located subject to the stringent forfeitures set forth in section 5 (b) which thereby, under certain conditions which are adverse to the interests of the small mining claim owners, makes previously located mining claims subject to section 4, and if this is not a left-handed attempt to make the proposed law retroactive, then we must admit that we cannot read very well and that we do not understand the English language.

We fully comprehend that section 5 (b) provides that the small-mining-claim owner may prevent his rights being forfeited, and he my prohibit the automatic transition of his previously located mining claim to the application of the terms and conditions of section 4 if he wins the decision in the initial hearing to be conducted and refereed by an employee of the Department of the Interior. Do you believe the small-mining-claim owner will receive fair and equal treatment in such proceedings?

The above-described proceedings make it essential that the small-mining-claim owner shall possess the funds necessary to hire a lawyer and to pay traveling expenses and to lose the time, all being expenses necessary to defend a perfectly valid title against harsh terms and conditions imposed under section 5 (b) (c). We all know that there are thousands of small-mining-claim owners who do not have sufficient funds for purposes aforesaid. Why should any small-mining-claim owner, who has heretofore acquired a perfectly valid title under the existing mining law, be forced to stand the expense, time, and delay in defending his tile in any action brought by the Secretary of the Interior in an attempt to make retroactive, against a previously located mining claim, the proposed terms of sections 4 and 5?

It is our opinion that any attempt to pass S. 1713 and H. R. 5561 should be defeated. All anyone has to do is to read section 7, and in conjunction with the reference to section 5, you will note the subversive attempt to find a way to take advantage of the small-mining-claim owner who is unable to defend his title against vicious attempts of scheming adventurers. They endeavor to impose upon the small-mining-claim owner a series of legal difficulties and costs, which will make retroactive the stringent terms of section 4 if the small-mining-claim owner is financially unable to defend his title, is an act no Member of the United States Senate and House should be a party to.

To force the small-mining-claim owner to defend his title to previously located mining claims throughout a series of hearings, court trials, etc., which the Secretary of the Interior may, under section 5, be authorized to instigate against said small-mining-claim owner if the paid and prejudiced employee of the Department of the Interior, who will sit as a "referee" in the adjudication of the proceedings instigated under sections 4 and 5 of said proposed law, decides in favor of the Secretary of Interior in the initial hearing held under section 5 (c), is a scheme in which no Western United States Senator or United States Representative should participate or permit by voting for passage of said bill.

The small-mining-claim owner, if he elects to fight for his rights, could be kept in litigation for many years, all because the Secretary of the Interior may elect to take away from the small-mining-claim owner, under sections 4 and 5 the vested rights he has previously acquired under the present mining laws. Not only is the proposed bill an attempt to legislate retroactively, but it is also an attempt to confiscate the property of the small-mining-claim owner.

It is our opinion that the present mining laws contain sufficient protection to the people of the United States of America. The present law prohibits acquisition and holding of lands under which there is no valid discovery. Are we to believe that this great and magnificent branch of our Government, the Department of Interior, has to instigate and lobby for a bill designed to deprive the small-mining-claim owner of his rights in order to defeat abortive efforts of certain would-be mining claim locators who attempt without discovery of mineral in place, to acquire and hold parts of the public domain under alleged mining locations?

An alleged fraudulent attempt to unlawfully appropriate parts of the public domain by people who have no intention of mining, should not be the basis for imposing upon the small-mining-claim owner the stringent terms imposed by sections 4 and 5 of said S. 1713. The Department of Interior has plenty of ammunition to correct all abuses of the present mining laws, because the said laws contain sufficient provisions and penalties for removing any fraudulent locaters from the public domain. Is it possible that the Department of Interior wants to take more than that which, by law, it is entitled to take?

We believe you should strive diligently to defeat the passage of S. 1713 and H. R. 5561, and we respectfully petition the exercise of your efforts towards that end.

Respectfully submitted.

H. B. CHESSHER.
W. E. SIRBECK.
JOE E. RILEY.

RENO, NEV.

HEARINGS INADEQUATE ON BILL AFFECTING ALL PUBLIC LANDS IN UNITED STATES

Mr. President, in closing, I do not believe that a bill of this magnitude should be enacted, affecting as it does all the public lands of the United States, practically all of which are located in the 11 Western States, most of them west of the Rocky Mountains, without adequate hearings in the areas affected, and allowing the real prospectors and miners to help work it out.

The hearings in Washington are all right to start with and to end with, but certainly no legislation of this type should be enacted until the areas and the men affected have been heard.

FOREST RESERVE "REMEDY" BEING APPLIED AND SAGEBRUSH JUNIPER

Furthermore, if, as is believed by some persons, attempts have been made to gain control of some forest preserve land by locating mining claims thereon—I do not believe that is possible, because when one makes such a location, he does so subject to all the laws of the land—but if the testimony is to be believed, the chief trouble is to be found in the administration of the forest preserves, and not on the public lands, such as those which are located in my State of Nevada, where there are 5 million acres of forest preserve areas, but a very small acreage of real forests.

I have inspected every square mile in my State, both as State engineer and in my private engineering business. If there are more than 100,000 acres of real merchantable timber in Nevada included in the nearly 5,000,000 acres of forest preserves, I simply have not seen it. The 4,900,000 acres of forest preserve is comprised of sagebrush and of juniper, which ranchers cut for posts, when they can persuade forest officials that it is the right use to put the juniper trees on the public domain.

REAL PARTIES IN INTEREST DESERVE FULL, FAIR HEARING

Secondly, no such far-reaching legislation as embodied in S. 1713 should be passed until those who are vitally affected by it can be heard. The entire 11 Western public land States are affected.

Mr. President, I ask the Senate to defeat the bill.

PROPOSED TARIFF COMMISSION STUDY OF EFFECT ON UNITED STATES TEXTILE INDUSTRY OF RECENT GATT AGREEMENTS

During the delivery of Mr. MALONE'S remarks,

Mr. THURMOND. Mr. President, will the Senator from Nevada yield briefly to me?

Mr. MALONE. I am glad to yield to the distinguished Senator from North Carolina.

Mr. THURMOND. Let me point out that I have the honor of being a Senator from the State of South Carolina.

Mr. MALONE. I beg the Senator's pardon; I should have said South Carolina.

Mr. THURMOND. However, either State is a mighty good one.

I thank the Senator from Nevada for yielding to me.

Mr. President, I rise to make a brief statement concerning a resolution which I intend to submit in the Senate, and to inform the Senate of my reasons for proposing such a resolution.

I am deeply concerned as to the likely effects of the recent agreements entered into between this country and other nations on the American Textile Industry and its employees. My information from a reliable source is that the tariff reductions agreed to in the GATT Conference in Geneva will run as high as 27 to 48 percent on the basic products of the textile industry.

As I have pointed out previously on the floor of the Senate, the textile industry of this Nation employs more than one million persons, approximately 133 thousand in South Carolina alone. Related industries in the Nation employ another million persons. In many sections of the Southeast and in New England, the whole economy is directly tied to the healthy operation of the textile industry.

Also, the textile industry is closely allied with production of items essential to national defense.

For these reasons, I am fearful that the agreements made in Geneva at the GATT Conference pose a threat of disaster to the textile industry and its million employees.

Although the agreements entered into were under provisions of the Trade Agreements Extension Act of 1951, and do not go into effect until September 10 of this year, I do not believe we should wait until it is too late to protect the people of our great textile industry.

Under statutory authority, the Tariff Commission may by resolution of the Senate be directed to make an investigation of the effect of the agreements entered into at Geneva. I believe it essential that such a study be started immediately on the effective date of the agreements, because of the severity of the tariff reductions entered into at the GATT Conference. In spite of the fact that, under provisions of H. R. 1, which I advocated and supported, no more reductions can be made on the items to which I refer, I now advocate prevention, instead of attempted remedy, of the damage which I fear will be done the textile industry.

The escape clause of the Trade Agreements Act provides that the Tariff Commission shall report if "actual or relative" imports of competitive products "cause or threaten serious injury to the domestic industry producing like or directly competitive products." Under the law, in determining whether cause or threat of injury has arisen, the Tariff Commission must take into consideration a downward trend of production, employment, prices, profits, or wages in the industry or a decline in sales; an increase in imports, either actual or relative to domestic production; a higher or growing inventory; or a decline in the proportion of a domestic market supplied by domestic producers.

Upon receipt of the Tariff Commission report, the President of the United States may make such adjustments in the rates of duty, impose such quotas, or make such other modifications as are found and reported by the Commission to be necessary to prevent or remedy serious injury to the respective domestic industry.

Mr. President, I believe the resolution which I intend to submit should be approved by the Senate as a preventive measure against disaster to a vital industry of the Nation. If the Tariff Commission should determine that no injury has been caused or threatened by the reduction of tariffs agreed to at Geneva, then no harm will have been done by the resolution. But if serious damage or the threat of serious damage is found by the Commission, time will have been saved by the adoption of the resolution which I shall submit. That time saved could well mean the difference between continued operation and curtailment of the operation of many of our textile plants.

Mr. President, I hope every Member of the Senate will give most serious consideration to this matter, and will support the resolution when it is submitted.

I ask unanimous consent to have the text of the proposed resolution printed at this point in the RECORD, as a part of my remarks; and I desire to state that all other Senators are invited to join in sponsoring the resolution.

There being no objection, the text of the resolution proposed to be submitted by Mr. THURMOND was ordered to be printed in the RECORD, as follows:

Whereas the tariff reductions on basic textile products agreed to at the recent negotiations in Geneva amount to as much as 27 to 48 percent of the present tariff rates; and

Whereas more than a million persons are employed in the textile industry of the United States and more than another million are employed in allied industries; and

Whereas in many sections of the Nation the entire economy of a community is tied directly to the healthy operation of the textile industry; and

Whereas the textile industry of this Nation is vital to defense production; and

Whereas the tariff reduction agreements entered into with other nations are scheduled to become effective September 10, 1955, and possibly will damage or pose the threat of damage to the textile industry of the United States: Now, therefore, be it

Resolved, That the United States Tariff Commission is directed to make an investigation pursuant to section 7 of the Trade Agreements Extension Act of 1951, as amended, to determine whether any textile product is, as a result, in whole or in part, of the duty or other customs treatment reflecting concessions granted by the United States under the agreement for the accession of Japan to the General Agreement on Tariffs and Trade signed at Geneva on June 8, 1955, being imported into the United States in such increased quantities (either actual or relative) as to cause or threaten serious injury to the domestic textile industry producing like or directly competitive products. The investigation required by this resolution shall be commenced with respect to any particular product on the date on which the concessions granted by the United States by the Geneva agreement become effective with respect to such product.

JAPAN AND GATT—TEXTILES AND THINGS

Mr. MALONE. Mr. President, will the Senator from South Carolina yield for a question?

Mr. THURMOND. I yield.

JAPAN TAKEN INTO GATT AS TRADE ACT EXTENDED

Mr. MALONE. Is the Senator from South Carolina aware that while he was voting for a 3-year extension of the 1934 Trade Agreements Act, the Geneva General Agreement on Tariffs and Trade was including Japan as a member of GATT with all rights and privileges, and at that moment was adjusting such duties or tariffs downward on textiles?

Mr. THURMOND. We understand that negotiations were under way at that time. Because we were fearful of the situation with regard to the textile industry, 16 other Senators joined me in submitting amendments which I presented to the Senate Finance Committee, and which were adopted.

Mr. MALONE. Yes.

Mr. THURMOND. The disaster we fear would not develop under the new law, which I voted for this year; I refer to the law as it was amended this year by the amendments reported by the Finance Committee. Instead, the disaster we fear would develop under the old law.

THE TEXTILE INDUSTRY MORTALLY INJURED

Mr. MALONE. Mr. President, if the Senator from South Carolina will yield further to me, let me ask him whether or not he understands that the amendments did not check in any way the transfer of constitutional responsibility of Congress for the regulation of our national economy and foreign trade to the President; and that the President has the last word now as he had under the original act of 1934, regardless of the amendments the Senator sponsored; and that the President can lower the duties or tariffs to the extent allowed by the law, without consulting Congress and that Congress has nothing to do with it.

Is he aware that through admitting Japan into GATT, that the President can finish the job on the textile industry, large sectors which are already mortally injured—and that this includes the Senator's great State of South Carolina.

Mr. THURMOND. The old law contained a provision under which if there were a disaster, or threatened disaster, to an industry, either body, the Senate or the House, could adopt a resolution asking the Tariff Commission to investigate the subject. That is all I am asking here. I am asking that there be adopted a resolution requesting the Tariff Commission to investigate the tremendous reduction in tariffs on textile products at the recent GATT Conference.

Mr. MALONE. Then, under the law, what will happen?

Mr. THURMOND. Under the old law the President could take action if the Tariff Commission made a recommendation to him, including the finding that there was a disaster or threatened disaster to any particular industry.

Mr. MALONE. Does the distinguished Senator understand that the President has taken only two affirmative actions as the result of numerous recommendations for relief by the Tariff Commission, which included a finding that harm was being done to an industry since 1934?

Mr. THURMOND. I am not familiar with the number of occasions on which he has acted.

SOUTHERN TEXTILE INDUSTRY ALREADY STRICKEN

Mr. MALONE. If the Senator will further yield, the harm has already been done to the textile industry in South Carolina. It cannot possibly survive the all-out attack from 19-cent-per-hour labor. The damage has already occurred. The industry in South Carolina is like the man who fought with an adversary who wielded a razor. When his adversary slashed at him he stepped back and said, "Never touched me." His antagonist said, "Just try to move your head." [Laughter.] All the industry in South Carolina has to do is to try to move its head. Then it will find out what has happened.

Mr. THURMOND. Under the law which was enacted this year, I feared there would be serious injury, and that is the reason I submitted certain amendments to the Senate Committee on Finance, in which I was joined by other Senators, to protect our textile industry.

Mr. MALONE. The Senator did the best he could and supported the extension of the 1934 Trade Agreements Act.

Mr. THURMOND. I realize now more than ever the importance of the adoption of those amendments. I am very grateful to the Senate Finance Committee and the Senate for including them in the bill.

TRADE ACT EXTENSION IS CAUSE OF INDUSTRY'S WOES

Mr. MALONE. All we had to do was just not extend the 1934 Trade Agreements Act, not just pass anything, and the textile industry in the Senator's State would be back in business, under the 1930 Tariff Act.

Under that act, the Tariff Commission could study the situation and recommend that the adjustable duty or tariff be fixed on the basis of the differential of cost between the wage standard of living, taxes, and other costs of doing business in this country, as compared with costs in the principal competing country on each product.

What is happening to the textile industry in the South now is what happened to it in New England when it

moved to the South because of lower wages than in New England. Now some foreign nation will get the business, paying less wages than your State of South Carolina. It is just as simple as that.

The difference is, of course, that we are one Nation, under one Constitution, and industry gets where the factors of labor, transportation, markets, power, and so forth add up the lowest cost of production.

MULTIPLE USE OF SURFACE OF PUBLIC LANDS

The Senate resumed the consideration of the bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

Mr. ANDERSON. Mr. President, the bill, S. 1713, to provide for multiple surface uses of the public domain, has been very carefully considered by the Senate Committee on Interior and Insular Affairs. I had the honor of introducing the measure on behalf of the senior Senator from Wyoming [Mr. BARRETT], the junior Senator from Utah [Mr. BENNETT], the senior Senator from Utah [Mr. WATKINS], and the senior Senator from Vermont [Mr. AIKEN], as well as on my own behalf.

The proposed legislation was drafted and introduced only after very extensive conferences with the executive agencies concerned, and with spokesmen for the industries that would be directly affected, namely, mining, lumbering, and stockgrowing industries, and with conservationists' and sportsmen's groups. At the very outset of the discussion I wish to pay tribute to the cooperation of all of these groups with me and the other sponsors of the bill and the members of the committee staff in our efforts to draft a bill that would meet a situation that is rapidly developing into a national emergency, and yet at the same time not interfere with existing rights or with bona fide mining activities, either now or in the future. I feel that our efforts have been successful in the main, and although the committee has made several amendments to the bill, all of them are of a perfecting or clarifying nature.

Exhaustive hearings on the measure were conducted by the full Committee on Interior and Insular Affairs, and all of its members had full opportunity to participate actively in questioning witnesses and obtaining complete information. The size of the hearings indicate that this was done. At the hearings spokesmen for all of the groups which would be affected by the measure were heard and cross-examined, as were officials representing the executive agencies concerned with administration. In addition, literally hundreds of letters and telegrams were received by members of the committee, and all were given careful attention.

Mr. President, S. 1713 would achieve its purpose to permit multiple, and more intensive, use of the resources of our public lands and forest lands by the following means:

First. Provide that deposits of common varieties of sand, building stone, gravel, pumice, pumicite, and cinders on the public lands, where they are found in widespread abundance, shall be disposed of under the Materials Act of 1947 rather than under the mining law of 1872.

Second. Amend the Materials Act to give to the Secretary of Agriculture the same authority with respect to those common, widespread materials located on lands under his jurisdiction as that which the Secretary of the Interior has with respect to lands under the jurisdiction of the Secretary of Interior.

Third. Amend the general mining law to prohibit the use of any hereafter located unpatented mining claim for any purpose other than prospecting, mining, processing, and related activities for development of mineral resources.

Fourth. Establish, with respect to mining claims located prior to enactment of S. 1713, particularly as to invalid, abandoned, dormant, or unidentifiable claims, a procedure in the nature of a quiet-title action, whereby the United States could expeditiously resolve uncertainties as to surface rights on such locations.

Mr. President, in view of some of the statements which have been and may be made concerning this measure, I emphasize that the holder of any claim in existence at the time of enactment of this legislation could retain all present rights to any and all surface resources on the claim by establishing, under prescribed procedures, his need for such surface resources for development of the claim's mineral resources. On a claim located after enactment, the locator would have full right to all surface resources of the claim which may be needed for carrying on mining activities.

His rights to subsurface resources remain unchanged on claims located both before and after enactment. Upon proceeding to patent, he would have full title in fee simple absolute, as heretofore, to both surface and subsurface.

Mr. President, mining is a major industry in my own State of New Mexico, as it is in Utah and Wyoming, which are represented in this body by other sponsors of S. 1713. My record as a Member of the House, as Secretary of Agriculture, and as a Member of the Senate shows conclusively that I always have tried to further the development of our mineral resources to the fullest possible extent. I have the most profound respect for the mining law of 1872, and have pride in the achievements that have been made under it.

The mining law of 1872, based as it is on private initiative and free enterprise, should and must be preserved. Senate bill 1713 does not in any way disturb the basic principles of that law.

S. 1713 specifically makes mining activity the dominant use—the "paramount" use, if I may use a word that became famous during our debate on submerged lands—on lands on which valid mining claims have been located. I call the Senate's attention to the provision in section 4 of the bill, found on page 5 beginning at line 19:

> Any use of the surface of any such mining claim by the United States, its permittees or licensees, shall be such as not to endanger or materially interfere with prospecting, mining, or processing operations or uses reasonably incident thereto.

Again, subsection (c) of section 4, page 6, line 15, recognizes that a mining claimant has the first right, the first call on any and all surface resources of his claim which he needs for carrying on activities related to mining. This affirmative right to use surface resources extends to timber he needs on his mine or processing operations, to sand and gravel to build his road, to grass for his mules, and the like.

Again, in section 7 of the bill, the affirmative rights of a mining claimant are recognized and protected, as are the full and unlimited rights of a claimant who proceeds to patent. The section provides:

> SEC. 7. Nothing in this act shall be construed in any manner to limit or restrict or to authorize the limitation or restriction of any existing rights of any claimant under any valid mining claim heretofore located, except as such rights may be limited or restricted as a result of a proceeding pursuant to section 5 of this act, or as a result of a waiver and relinquishment pursuant to section 6 of this act; and nothing in this act shall be construed in any manner to authorize inclusion in any patent hereafter issued under the mining laws of the United States for any mining claim heretofore or hereafter located, of any reservation, limitation, or restriction not otherwise authorized by law.

At this point it might be well to state again that S. 1713 does not in any way interfere with, or have any bearing upon, the full and complete ownership—ownership in fee simple absolute, as the lawyers say—of a mining claimant who proceeds to patent his claim. After enactment of the bill, as at present, a patentee will own both the surface and subsurface, and all their resources—mineral, animal, and vegetable. Both the bill and the report make this fact plain and clear beyond question or doubt.

One member of the committee, the junior Senator from Oregon [Mr. NEUBERGER], did not think the bill went far enough in this respect, and filed individual views, pointing out that a patentee of a mining claim located in forest lands could still get title to 20 acres of valuable timber, with no limit to the number of such 20-acre tracts. By way of reply, I point out to the able Senator that, first, there must be affirmative proof of a bona fide mineral discovery on the claim before a patent will issue on it. In practice, the Department of the Interior sends a minerals surveyor out to the claim, and he must be satisfied, and be able to satisfy the Secretary of the Interior, that ores in commercial quantities and quality have been discovered on the claim. The claimholder must also show he has done at least $500 worth of work on the claim.

During this time, if the claim is located on forest land with valuable standing timber on it, the executive agency administering the surface of the land will have ample opportunity to dispose of those of the surface resources that are not required for mining operation. Therefore, I believe, and the majority of the committee believes, that the danger pointed to by the junior Senator from Oregon is more apparent than real.

Mr. President, the committee report states the factual background of this legislation. The facts speak for themselves as to why it is necessary. It also explains why existing remedies are inadequate. I will not delay the Senate by repeating those facts here, but I commend those sections of the committee report to the attention of the Senate.

Also, I call the Senate's attention to the most impressive list of national organizations which have endorsed the bill.

The Committee on Interior and Insular Affairs earnestly recommends enactment of S. 1713, with the committee amendments.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The amendments of the committee will be stated.

The amendments of the Committee on Interior and Insular Affairs were on page 1, line 7, after the word "to", to insert "common varieties of the following: "; on page 2, at the beginning of line 4, to insert "including, for the purposes of this act, land described in the acts of August 28, 1937 (50 Stat. 874), and of June 24, 1954 (68 Stat. 270),"; in line 8, after the word "including", to insert a comma and "but not limited to, the act of June 28, 1934 (48 Stat. 1269), as amended, and"; in line 19, after the word "municipalities", to strike out "or any person"; on page 4, line 3, after the word "except", to insert "that revenues from the lands described in the act of August 28, 1937 (50 Stat. 874), and the act of June 24, 1954 (68 Stat. 270), shall be disposed of in accordance with said acts and except"; on page 5, line 23, after the word "thereto", to insert a colon and "*Provided further*, That if at any time the locator requires more timber for his mining operations than is available to him from the claim after disposition of timber therefrom by the United States, he shall be entitled, free of charge, to be supplied with timber for such requirements from the nearest timber administered by the disposing agency which is ready for harvesting under the rules and regulations of that agency and which is substantially equivalent in kind and quantity to the timber estimated by the disposing agency to have been disposed of from the claim: *Provided further*, That nothing in this act shall be construed as affecting or intended to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the 98th meridian relating to the ownership, control, appropriation, use, and distribution of ground or surface waters within any unpatented mining claim"; on page 7, line 5, after the letter "(a)", to strike out "The Secretary of the Federal Department" and insert "The head of a Federal department or agency"; on page 17, line 8, after the word "any", to insert "reservation"; and in line 9, after the word "law", to insert "or to limit or repeal any existing authority to include any reservation, limitation, or restriction in any such patent, or to limit or restrict any use of the lands covered by any patented or unpatented mining claim by the United States, its lessees, permittees, and licenses which is otherwise authorized by law.", so as to make the bill read:

Be it enacted, etc., That section 1 of the act of July 31, 1947 (61 Stat. 681), is amended to read as follows:

"SECTION 1. The Secretary, under such rules and regulations as he may prescribe, may dispose of mineral materials (including but not limited to common varieties of the following: sand, stone, gravel, pumice, pumicite, cinders, and clay), and vegetative materials (including but not limited to yucca, manzanita, mesquite, cactus, and timber or other forest products) on public lands of the United States, including, for the purposes of this act, land described in the acts of August 28, 1937 (50 Stat. 874), and of June 24, 1954 (68 Stat. 270), if the disposal of such mineral or vegetative materials (1) is not otherwise expressly authorized by law, including, but not limited to, the act of June 28, 1934 (48 Stat. 1269), as amended, and the United States mining laws, and (2) is not expressly prohibited by laws of the United States, and (3) would not be detrimental to the public interest. Such materials may be disposed of only in accordance with the provisions of this act and upon the payment of adequate compensation therefor, to be determined by the Secretary: *Provided, however*, That, to the extent not otherwise authorized by law, the Secretary is authorized in his discretion to permit any Federal, State, or Territorial agency, unit or subdivision, including municipalities, or any association or corporation not organized for profit, to take and remove, without charge, materials and resources subject to this act, for use other than for commercial or industrial purposes or resale. Where the lands have been withdrawn in aid of a function of a Federal department or agency other than the department headed by the Secretary or of a State, Territory, county, municipality, water district or other local governmental subdivision or agency, the Secretary may make disposals under this act only with the consent of such other Federal department or agency or of such State, Territory, or local governmental unit. Nothing in this act shall be construed to apply to lands in any national park, or national monument or to any Indian lands, or lands set aside or held for the use or benefit of Indians, including lands over which jurisdiction has been transferred to the Department of the Interior by Executive order for the use of Indians. As used in this act, the word "Secretary" means the Secretary of the Interior except that it means the Secretary of Agriculture where the lands involved are administered by him for national forest purposes or for the purposes of title III of the Bankhead-Jones Farm Tenant Act or where withdrawn for the purpose of any other function of the Department of Agriculture."

SEC. 2. That section 3 of the act of July 31, 1947 (61 Stat. 681), as amended by the act of August 31, 1950 (64 Stat. 571), is amended to read as follows:

"All moneys received from the disposal of materials under this act shall be disposed of in the same manner as moneys received from the sale of public lands, except that moneys received from the disposal of materials by the Secretary of Agriculture shall be disposed of in the same manner as other moneys received by the Department of Agriculture from the administration of the lands from which the disposal of materials is made, and except that revenues from the lands described in the act of August 28, 1937 (50 Stat. 874), and the act of June 24, 1954 (68 Stat. 270), shall be disposed of in accordance with said acts and except that moneys received from the disposal of materials from school section lands in Alaska, reserved under section 1 of the act of March 4, 1915 (38 Stat. 1214), shall be set apart as separate and permanent funds in the Territorial Treasury, as provided for income derived from said school section lands pursuant to said act."

SEC. 3. A deposit of common varieties of sand, stone, gravel, pumice, pumicite, or cinders shall not be deemed a valuable mineral deposit within the meaning of the mining laws of the United States so as to give effective validity to any mining claim hereafter located under such mining laws: *Provided, however*, That nothing herein shall affect the validity of any mining location based upon discovery of some other mineral occurring in or in association with such a deposit. "Common varieties" as used in this act does not include deposits of such materials which are valuable because the deposit has some property giving it distinct and special value and does not include so-called "block pumice" which occurs in nature in pieces having one dimension of 2 inches or more.

SEC. 4. (a) Any mining claim hereafter located under the mining laws of the United States shall not be used, prior to issuance of patent therefor, for any purposes other than prospecting, mining, or processing operations and uses reasonably incident thereto.

(b) Rights under any mining claim hereafter located under the mining laws of the United States shall be subject, prior to issuance of patent therefor, to the right of the United States to manage and dispose of the vegetative surface resources thereof and to manage other surface resources thereof (except mineral deposits subject to location under the mining laws of the United States). Any such mining claim shall also be subject, prior to issuance of patent therefor, to the right of the United States, its permittees, and licensees, to use so much of the surface thereof as may be necessary for such purposes or for access to adjacent land: *Provided, however*, That any use of the surface of any such mining claim by the United States, its permittees, or licensees, shall be such as not to endanger or materially interfere with prospecting, mining, or processing operations or uses reasonably incident thereto: *Provided further*, That if at any time the locator requires more timber for his mining operations than is available to him from the claim after disposition of timber therefrom by the United States, he shall be entitled, free of charge, to be supplied with timber for such requirements from the nearest timber administered by the disposing agency which is ready for harvesting under the rules and regulations of that agency and which is substantially equivalent in kind and quantity to the timber estimated by the disposing agency to have been disposed of from the claim: *Provided further*, That nothing in this act shall be construed as affecting or intended to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the 98th meridian relating to the ownership, control, appropriation, use, and distribution of ground or surface waters within any unpatented mining claim.

(c) Except to the extent required for the mining claimant's prospecting, mining, or processing operations and uses reasonably incident thereto, or for the construction of buildings or structures in connection therewith, or to provide clearance for such operations or uses, or to the extent authorized by the United States, no claimant of any mining claim hereafter located under the mining laws of the United States shall, prior to issuance of patent therefor, sever, remove, or use any vegetative or other surface resources thereof which are subject to management or disposition by the United States under the preceding subsection (b). Any severance or removal of timber which is permitted under the exceptions of the preceding sentence, other than severance or removal to provide clearance, shall be in accordance with sound principles of forest management.

SEC. 5. (a) The head of a Federal department or agency which has the responsibility for administering surface resources of any lands belonging to the United States may file as to such lands in the office of the Secretary of the Interior, or in such office as the Secretary of the Interior may designate, a request for publication of notice to mining claimants, for determination of surface rights, which request shall contain a description of the lands covered thereby, showing the section or sections of the public land surveys which embrace the lands covered by such request, or if such lands are unsurveyed, either the section or sections which would probably embrace such lands when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument.

The filing of such request for publication shall be accompanied by an affidavit or affidavits of a person or persons over 21 years of age setting forth that the affiant or affiants have examined the lands involved in a reasonable effort to ascertain whether any person or persons were in actual possession of or engaged in the working of such lands or any part thereof, and, if no person or persons were found to be in actual possession of or engaged in the working of said lands or any part thereof on the date of such examination, setting forth such fact, or, if any person or persons were so found to be in actual possession or engaged in such working on the date of such examination, setting forth the name and address of each such person, unless affiant shall have been unable through reasonable inquiry to obtain information as to the name and address of any such person, in which event the affidavit shall set forth fully the nature and results of such inquiry.

The filing of such request for publication shall also be accompanied by the certificate of a title or abstract company, or of a title abstractor, or of an attorney, based upon such company's abstractor's, or attorney's examination of those instruments which are shown by the tract indexes in the county office of record as affecting the lands described in said request, setting forth the name of any person disclosed by said instruments to have an interest in said lands under any unpatented mining claim heretofore located, together with the address of such person if such address is disclosed by such instruments of record. "Tract indexes" as used herein shall mean those indexes, if any, as to surveyed lands identifying instruments as affecting a particular legal subdivision of the public land surveys, and as to unsurveyed lands identifying instruments as affecting a particular probable legal subdivision according to a projected extension of the public land surveys.

Thereupon the Secretary of the Interior, at the expense of the requesting department or agency, shall cause notice to mining claimants to be published in a newspaper having general circulation in the county in which the lands involved are situate.

Such notice shall describe the lands covered by such request, as provided heretofore, and shall notify whomever it may concern that if any person claiming or asserting under, or by virtue of, any unpatented mining claim heretofore located, rights as to such lands or any part thereof, shall fail to file in the office where such request for publication was filed (which office shall be specified in such notice) and within 150 days from the date of the first publication of such notice (which date shall be specified in such notice), a verified statement which shall set forth, as to such unpatented mining claim—

(1) the date of location;

(2) the book and page of recordation of the notice or certificate of location;

(3) the section or sections of the public land surveys which embrace such mining claim; or if such lands are unsurveyed, either the section or sections which would probably embrace such mining claim when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument;

(4) whether such claimant is a locator or purchaser under such location; and

(5) the name and address of such claimant and names and addresses so far as known to the claimant of any other person or persons claiming any interest or interests in or under such unpatented mining claim;

such failure shall be conclusively deemed (i) to constitute a waiver and relinquishment by such mining claimant of any right, title, or interest under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (ii) to constitute a consent by such mining claimant that such mining claim, prior to issuance of patent therefor, shall be subject to the limitations and restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (iii) to preclude thereafter, prior to issuance of patent, any assertion by such mining claimant of any right or title to or interest in or under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims.

If such notice is published in a daily paper, it shall be published in the Wednesday issue for 9 consecutive weeks, or, if in a weekly paper, in 9 consecutive issues, or, if in a semiweekly or triweekly paper, in the issue of the same day of each week for 9 consecutive weeks.

Within 15 days after the date of first publication of such notice, the department or agency requesting such publication (1) shall cause a copy of such notice to be personally delivered to or to be mailed by registered mail addressed to each person in possession or engaged in the working of the land whose name and address is shown by an affidavit filed as aforesaid, and to each person who may have filed, as to any lands described in said notice, a request for notices, as provided in subsection (d) of this section 5, and shall cause a copy of such notice to be mailed by registered mail to each person whose name and address is set forth in the title or abstract company's or title abstractor's or attorney's certificate filed as aforesaid, as having an interest in the lands described in said notice under any unpatented mining claim heretofore located, such notice to be directed to such person's address as set forth in such certificate; and (2) shall file in the office where said request for publication was filed an affidavit showing that copies have been so delivered or mailed.

(b) If any claimant under any unpatented mining claim heretofore located which embraces any of the lands described in any notice published in accordance with the provisions of subsection (a) of this section 5, shall fail to file a verified statement, as above provided, within 150 days from the date of the first publication of such notice, such failure shall be conclusively deemed, except as otherwise provided in subsection (e) of this section 5, (i) to constitute a waiver and relinquishment by such mining claimant of any right, title, or interest under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (ii) to constitute a consent by such mining claimant that such mining claim, prior to issuance of patent therefor, shall be subject to the limitations and restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (iii) to preclude thereafter, prior to issuance of patent, any assertion by such mining claimant of any right or title to or interest in or under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims.

(c) If any verified statement shall be filed by a mining claimant as provided in subsection (a) of this section 5, then the Secretary of the Interior shall fix a time and place for a hearing to determine the validity and effectiveness of any right or title to, or interest in or under such mining claim, which the mining claimant may assert contrary to or in conflict with the limitations and restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, which place of hearing shall be in the county where the lands in question or parts thereof are located, unless the mining claimant agrees otherwise. Where verified statements are filed asserting rights to an aggregate of more than 20 mining claims, any single hearing shall be limited to a maximum of 20 mining claims unless the parties affected shall otherwise stipulate and as many separate hearings shall be set as shall be necessary to comply with this provision. The procedures with respect to notice of such a hearing and the conduct thereof, and in respect to appeals shall follow the then established general procedures and rules of practice of the Department of the Interior in respect to contests or protests affecting public lands of the United States. If, pursuant to such a hearing the final decision rendered in the matter shall affirm the validity and effectiveness of any mining claimant's so asserted right or interest under the mining claim, then no subsequent proceedings under this section 5 of this act shall have any force or effect upon the so-affirmed right or interest of such mining claimant under such mining claim. If at any time prior to a hearing the department or agency requesting publication of notice and any person filing a verified statement pursuant to such notice shall so stipulate, then to the extent so stipulated, but only to such extent, no hearing shall be held with respect to rights asserted under that verified statement, and to the extent defined by the stipulation the rights asserted under that verified statement shall be deemed to be unaffected by that particular published notice.

(d) Any person claiming any right under or by virtue of any unpatented mining claim heretofore located and desiring to receive a copy of any notice to mining claimants which may be published as above provided in subsection (a) of this section 5, and which may affect lands embraced in such mining claim, may cause to be filed for record in the county office of record where the notice or certificate of location of such mining claim shall have been recorded, a duly acknowledged request for a copy of any such notice. Such request for copies shall set forth the name and address of the person requesting copies and shall also set forth, as to each heretofore located unpatented mining claim under which such person asserts rights—

(1) the date of location;

(2) the book and page of the recordation of the notice or certificate of location; and

(3) the section or sections of the public land surveys which embrace such mining claim; or if such lands are unsurveyed, either the section or sections which would probably embrace such mining claim when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument.

Other than in respect to the requirements of subsection (a) of this section 5 as to personal delivery or mailing of copies of notices and in respect to the provisions of subsection (e) of this section 5, no such request for copies of published notices and no statement or allegation in such request and no recordation thereof shall affect title to any mining claim or to any land or be deemed to constitute constructive notice to any per-

son that the person requesting copies has, or claims, any right, title, or interest in or under any mining claim referred to in such request.

(e) If any department or agency requesting publication shall fail to comply with the requirements of subsection (a) of this section 5 as to the personal delivery or mailing of a copy of notice to any person, the publication of such notice shall be deemed wholly ineffectual as to that person or as to the rights asserted by that person and the failure of that person to file a verified statement, as provided in such notice, shall in no manner affect, diminish, prejudice or bar any rights of that person.

SEC. 6. The owner or owners of any unpatented mining claim heretofore located may waive and relinquish all rights thereunder which are contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims. The execution and acknowledgment of such a waiver and relinquishment by such owner or owners and the recordation thereof in the office where the notice or certificate of location of such mining claim is of record shall render such mining claim thereafter and prior to issuance of patent subject to the limitations and restrictions in section 4 of this act in all respects as if said mining claim had been located after enactment of this act, but no such waiver or relinquishment shall be deemed in any manner to constitute any concession as to the date of priority of rights under said mining claim or as to the validity thereof.

SEC. 7. Nothing in this act shall be construed in any manner to limit or restrict or to authorize the limitation or restriction of any existing rights of any claimant under any valid mining claim heretofore located, except as such rights may be limited or restricted as a result of a proceeding pursuant to section 5 of this act, or as a result of a waiver and relinquishment pursuant to section 6 of this act; and nothing in this act shall be construed in any manner to authorize inclusion in any patent hereafter issued under the mining laws of the United States for any mining claim heretofore or hereafter located, of any reservation, limitation, or restriction not otherwise authorized by law, or to limit or repeal any existing authority to include any reservation, limitation, or restriction in any such patent, or to limit or restrict any use of the lands covered by any patented or unpatented mining claim by the United States, its lessees, permittees, and licensees which is otherwise authorized by law.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ANDERSON. Mr. President, I move that the Senate proceed to the immediate consideration of H. R. 5891, a bill to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. ANDERSON. Mr. President, I move to strike out all after the enacting clause of H. R. 5891 and to insert in lieu thereof the provisions of S. 1713, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

Mr. MALONE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	McClellan
Allott	Frear	McNamara
Anderson	Fulbright	Millikin
Barkley	Gore	Monroney
Barrett	Green	Morse
Beall	Hayden	Mundt
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kerr	Smathers
Clements	Kilgore	Smith, Maine
Cotton	Knowland	Sparkman
Curtis	Kuchel	Stennis
Daniel	Lehman	Symington
Douglas	Long	Thurmond
Duff	Malone	Thye
Dworshak	Mansfield	Watkins
Eastland	Martin, Iowa	Williams
Ellender	Martin, Pa.	Young
Ervin	McCarthy	

Mr. CLEMENTS. I announce that the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeing in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. WELKER], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from North Dakota [Mr. LANGER] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is necessarily absent.

The PRESIDING OFFICER. A quorum is present.

The bill having been read the third time, the question is, Shall it pass?

Mr. MALONE. Mr. President, I wish to explain the bill for the benefit of the Senators who have entered the Chamber since the debate began.

H. R. 5891 GRANTS MORE POWER TO BUREAUCRATS

There is before the Senate a mining bill, House bill 5891, and S. 1713 which would place Washington officials, the heads of Government bureaus, in charge of prospectors and miners who have located mining claims on public lands under the 1872 Mining Act, and destroy much of their rights to hold it without undue interference from such bureau officials.

The 1872 act provided that any man, with or without capital, who made a discovery and set a stake down marking it, had 30 days to set his corners, and a certain length of time to do his assessment work.

Then, if he did $100 worth of assessment work a year—and such a requirement could be changed at any time, if $100 were deemed to be not enough, or too much—he could, by filing with the county recorder's office in his county affidavits to show that the assessment work had been done, hold the mining claim, just as a patented claim was held. After he had done $500 worth of work and had a valid discovery, and a mineral surveyor, who was under $5,000 bond, had made affidavit as to his discovery and to the $500 worth of work, the claim could be patented when the survey was completed and certain State and Government fees were paid.

HISTORIC ACT PROTECTED PROSPECTOR AND GOVERNMENT

The Government and the prospector were fully protected. I was a licensed mineral surveyor in two States, California and Nevada, for 25 or 30 years, in connection with my engineering business. If the affidavit of the licensed mineral surveyor proved to be wrong, he forfeited his bond and lost his license.

What is being sought is to place in the hands of the Bureau of Land Management, under the direction of persons who never understood mining, and are not required to understand it in their jobs, the authority to say that "no prudent man" would dig where a certain prospector was digging; therefore, he must abandon his claim. I say to Members of the Senate that no prudent man would dig where 98 percent of the prospectors dig because a prospector is not a prudent man and he is the man who discovers mines.

AREA HEARINGS ASKED BEFORE VOTE ON BUREAUCRATIC BILL

All I ask today, Mr. President, is that hearings be held in the mining areas—the public-land areas of this Nation—which is the 11 Western States. No such hearings were held on the pending bill.

The bill was cooked up in Washington. Eight or ten witnesses were heard. Only one had ever been even remotely connected with actual mining. An attorney for a mining company was one of the principal witnesses.

ONLY ONE ACTUAL MINING MAN HEARD ON MINING BILL

One witness, Robert S. Palmer, executive vice president of the Colorado Mining Association, is actually in the mining business and knows most of the miners of the West. He opposed the bill on the same ground the senior Senator from Nevada is opposing its passage—that no hearings have been held in the mining areas; that no small miner or prospector had had a chance to be heard.

Mr. President, any improvement of the 1872 Mining Act should be decided upon after hearings in the actual mining areas.

So, Mr. President, I move that House bill 5891 be referred to the Committee on Interior and Insular Affairs for that purpose, and I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada [Mr. MALONE].

Mr. MALONE. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada [Mr. MALONE] to refer House bill 5891 to the Committee on Interior and Insular Affairs.

The motion was rejected.

RESTRICTION OF BILL TO FOREST SERVICE LANDS SOUGHT

Mr. MALONE. Mr. President, I move that the terms of the bill be confined to the Forest Service acreage of the public land States. I do so because practically all the evidence was to the effect that the objection to the act was that invalid locations were made within the national forests with the objective of getting possession of timber.

On the other hand, we of the mining country know that it is impossible to have an invalid location on the forest lands or any public lands if the bureaus do their work.

However, if the pending bill is bound to be put through today, I move that the terms of the bill be confined to the acreage located within the forest reserves.

The PRESIDING OFFICER. The bill is not open to amendment at this time.

Mr. ANDERSON. Mr. President, a point of order. As I understand, the bill is not open to amendment.

The PRESIDING OFFICER. It is not open to amendment.

Mr. MALONE. What is the parliamentary situation?

The PRESIDING OFFICER. The question is on the final passage of the bill. The amendment is not in order. The bill has been read the third time. It is open to amendment only by unanimous consent.

AMENDMENT PERMITTED BY UNANIMOUS CONSENT

Mr. MALONE. Mr. President, I ask unanimous consent that I be allowed to offer an amendment, because I was trying to be courteous to the proponents of the bill, and I inadvertently allowed the bill to be read the third time before I offered my amendment. I ask unanimous consent that I be allowed to offer the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada? (After a pause): The Chair hears none, and the Senator from Nevada may offer his amendment.

Mr. MALONE. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

Mr. MALONE. I proposed the amendment when I thought the bill was open for amendment. I propose in the amendment that the area affected by the bill shall be confined to the forest reserves.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nevada.

Mr. ANDERSON. Mr. President, I rise merely to request that the Senate reject the amendment. It is impossible to segregate at this time the forest lands from the rest of the lands. This proposal was presented to the committee, and it was voted down in the committee. It will be impossible to segregate the sections of the bill at this time. I ask that the amendment be rejected.

EXPLANATION ASKED

Mr. MALONE. Mr. President, I should like to have the Senator from New Mexico explain to the Senator from Nevada how it is impossible to determine the acreage to which the bill would be confined under my amendment. May I ask for an explanation?

Mr. ANDERSON. It is impossible to segregate the sections quickly under an amendment like this. The bill is an inclusive bill, and the Senator's motion is that we strike out everything in the bill except the forest lands. I know of no easy way of doing it. That is why I hope the amendment will be voted down.

SOLE QUESTION IS WHAT ACTION SENATE WANTS TO TAKE

Mr. MALONE. Mr. President, it is not a question of whether it is easy to do it or not. It is a question of whether the terms of the bill should be confined to the forest reserves.

Mr. BARRETT. Mr. President, I am opposed to the Senator's amendment. The purpose of his amendment is to make the bill effective only as to lands in the forest reserves and leave the public-domain lands in their present status. We are having a rush of uranium mining claim-filings in our State at this time. We need this bill to protect those people who presently have acquired the right to use these public lands for grazing and other purposes. Under the Senator's amendment a person might file a uranium-mining claim or any other mining claim on lands leased by the Government under the Taylor Grazing Act and acquire the right to the exclusive use of the surface resources and could exclude the person having the right to use the surface from the land. We need this bill just as badly for the public-domain lands as it is needed for the national forest lands. This is a good bill and will correct abuses that have existed for many years and will not interfere with legitimate mining operations.

SENATOR URGES MINERS BE PERMITTED TO BE HEARD

Mr. MALONE. That is the reason I moved to refer the bill to committee and to hold hearings in the Western States, and in that way permit the miners to be heard on this subject most important to them.

I further say to the Senator from Wyoming that his own State can determine the kind of assessment work that must be done. His State can make that determination through its own legislature.

Mr. BARRETT. Many of the mining claimants in my State and the people who use the surface of the public lands have discussed the matter on many occasions. It seems to me that the general opinion of the people of Wyoming is in favor of the pending bill. They are opposed to the provisions of the Senator's amendment, because they feel they need some protection on the public lands as well as they do on the forest lands. They believe this bill will work out to the best interests not only of the people who use the surface resources but also to the miners themselves and to the public generally.

BILL BEING THRUST DOWN MINERS' THROATS

Mr. MALONE. In answer to the distinguished Senator from Wyoming, I would say that in my own State—and I have discussed the matter with every State mining association in the West—people have been told numerous times in the past 2 years, "You will take this bill, or something worse."

I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill was read the third time, and passed.

Mr. ANDERSON. Mr. President, I ask unanimous consent that S. 1713 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959.

AMENDMENT OF UNIVERSAL MILITARY TRAINING AND SERVICE ACT—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. CASE of South Dakota. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. CASE of South Dakota. Will the Senator state what amendment was made?

Mr. RUSSELL. There was no substantial amendment to the bill as passed by the Senate. The Senate conferees agreed to a reduction in the maximum age at time of induction of medical registrants from 51 to 46 years. That is the only substantial change made in the bill as it was passed by the Senate. The House agreed to the Senate provisions relating to the National Guard.

Mr. CASE of South Dakota. Including, I presume, the provision that a man who enlisted in the National Guard at the age of 18½ would not be subject to the induction after he reached 28 years.

Mr. RUSSELL. That is correct. The House conferees agreed to the other changes made by the Senate.

Mr. CASE of South Dakota. I think the conferees on the part of the Senate did their duty in splendid fashion.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 542, S. 2220.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2220) to authorize appropriations for the Atomic Energy Commission for the construction of plants and facilities, including acquisition or condemnation of real property or facilities, and for other purposes.

Mr. ANDERSON. Mr. President, I ask the Chair to lay before the Senate a similar bill which has been passed by the House of Representatives.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; was read twice by its title.

Mr. ANDERSON. Mr. President, at this stage, H. R. 6795 is identical with S. 2220, which has been considered and reported to the Senate by the Joint Committee on Atomic Energy. I ask unanimous consent that the Senate proceed to the consideration of H. R. 6795, in place of S. 2220.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

There being no objection, the Senate proceeded to consider the bill (H. R. 6795), to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

THE DIXON-YATES CONTRACT

Mr. KEFAUVER. Mr. President, at this time I wish to speak and inform my colleagues about a shocking piece of duplicity in connection with the handling, by a group of public utilities, of a contract known as the Dixon-Yates deal.

I desire to bring to the attention of the Senate the shocking effort to cover up an employee of the Federal Government, a consultant to the Bureau of the Budget, who with his associates obtained business for the corporation by which he was employed, thus carrying water on both shoulders, representing both the Government and the other side in this outrageous transaction.

I wish to show, Mr. President, the effort of a committee of Congress to secure the facts about this deal, and the apparent effort to conceal and hide the true facts from the Members of Congress and the public, notwithstanding an earlier pronouncement that the complete information from the inception to the end would be made public.

In what I shall say this afternoon, I shall bring out other examples showing that the more we delve into this contract, the more scandalous it becomes and the more it approaches the point of suggested violation of criminal law, which ought to be looked into by the Attorney General of the United States. I think committees of Congress which have charge of legislation looking to the consummation of this deal should be fully informed about what has taken place.

Mr. President, in the beginning, a great deal of criticism had been made of the fact that a contract, which was entered into without competition and which was wasteful of the Government's money, had been personally ordered to be executed with specific persons by the President of the United States. This is the first time in the history of this Nation that such an order, overruling the vote of the then existing members of an independent commission, has ever been made. After this order had been criticized, the President of the United States, in a press conference on August 18, 1954, declared that all the information and details from the beginning to the end were public information and could be seen by any members of the press, individually or together. Much was made, as shown by newspapers of that date, that all the facts and circumstances, documents, and all information about the contract were going to be made public. I have here, as an example, a copy of the Washington Post and Times Herald with a front-page story, in which it is stated:

> The President said every action he had taken in the matter of the contract was on record, and added that anyone could go to the files of the Bureau of the Budget and the Atomic Energy Commission and get the whole story.

I also have before me a copy of the New York Times, quoting the same thing said by the President of the United States.

I should like to read exactly what the President had to say about wanting all the facts about this matter made public, quoting the paraphrase published in line with the policy of not directly quoting the President. It is a quotation from press conferences, the New York Times, and other newspapers:

> He said he was not going to defend himself, as he had told reporters time and time again he should not. He merely said that of course he approved the recommendations for this action and every single official action he took involving contractual relationships of the United States with anybody, and except when the question of national security was directly involved it was open to the public. Any one of you present may, singly or in an investigation group, go to the Bureau of the Budget and to the Chief of the Atomic Energy Commission and get the complete record from the inception of the idea to this very minute.

That was all he had to say about it.

Mr. President, following the August 18, 1954, statement, that all the facts about this matter were public property and that anyone could see the reports, and so forth, Mr. Hughes, the Director of the Budget, appearing before the Joint Committee on Atomic Energy, made a similar statement, namely, that all the facts had been made public. Admiral Strauss made a similar statement before the joint committee. They undertook to issue a mimeographed release from both agencies giving the chronology and the history of what had taken place in connection with the negotiations and everything relating to the so-called Dixon-Yates contract. The chronology is found in the hearings before the Joint Committee on Atomic Energy of November 12 and 13, 1954.

It has been increasingly apparent, from bits of information which have been coming out piecemeal from time to time, that the chronology and information given out by the Atomic Energy Commission and the Bureau of the Budget are not complete; that very important meetings, in which important aspects of the contract were discussed and decided upon, were not reported in the chronology, as I shall show in a little while.

Also, it has become apparent, by piecemeal bits of evidence, that persons who were at the meeting and played an important part in the policy decision were not named in the chronology.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. BUTLER. Does the Senator refer to Mr. Wenzell when he says that

persons who made important policy decisions were not named in the chronology?

Mr. KEFAUVER. He is one of the persons to whom I am referring.

Mr. BUTLER. Did not the Director of the Bureau of the Budget, Mr. Hughes, testify yesterday under oath that Mr. Wenzell was a member of the staff, a mere consultant, and for that reason he had not mentioned Mr. Wenzell, or any other members of the staff, as distinct from persons who made policy, such as Mr. Strauss, or himself, as Director of the Bureau of the Budget?

Mr. KEFAUVER. Mr. Hughes, of course, tried to explain the failure to mention this important figure who negotiated in this matter. But Mr. Hughes was most conflicting in his testimony. He has refused to divulge the full facts about this matter, as I shall show later; and the President of the United States, too, is trying to cover up. There is evidence that that is taking place.

So it is necessary to rely upon other testimony, which shows conclusively that important meetings were held, which were not in the chronology, and that Mr. Wenzell played a very important part in the matter.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. BUTLER. Did not Mr. Hughes further testify under oath that Mr. Wenzell had nothing whatsoever to do with the establishment of policy? That the policy had been determined before Mr. Wenzell was called in, and that he was called in solely to give technical aid on only one phase of the matter, namely, the financing?

Mr. KEFAUVER. Yes; Mr. Hughes had one idea of what was important policy; but, to me, it is important that Mr. Wenzell was the genius who, in the first place, helped work up the whole arrangement for the liquidation, or the attempted liquidation, of the Tennessee Valley Authority. He was connected with the Bureau of the Budget and was one of the engineers of the whole idea of destroying or cutting down the public-power program of the United States, in connection with supplying power to such agencies as the TVA. That is the subject matter of a report made by Mr. Wenzell in September 1953, and there is evidence that that was what he was working on. It is that report which is now being concealed and is not being released.

Mr. Hughes stated in a letter to the senior Senator from Alabama [Mr. HILL] that Mr. Wenzell was working on the whole matter, so we must take it that he played an important part in the making of policy. If that be not true, what has the Commission or the Bureau of the Budget to hide or conceal at present? Why do they not put the facts on the table, as they said they would do?

Mr. BUTLER. Is not the Senator well aware of the fact that the executive branch must have some reasonable rule or regulation in connection with the inspection of their files? To throw all the executive department files open to any Member of Congress who sought to look into them certainly would be a violation of the doctrine of the separation of powers and would be destructive, I think, of good government.

Mr. KEFAUVER. I appreciate the statement by the Senator from Maryland. In some cases there are precedents for allowing the executive department files to be examined by committees of Congress.

But if the President did not want the facts to be known, if he did not want the files to be examined, if there was something he did not want the public to know about, then I see no justification for his statement of August 18, 1954, with all the fanfare accompanying it, changing that order, and inviting the public to see all the facts.

Mr. BUTLER. I respectfully say to the Senator from Tennessee that there has been no concealment whatsoever. Mr. Hughes came before the subcommittee——

Mr. KEFAUVER. If the Senator from Maryland will stay around, I think even he will agree that there has been very substantial concealment. If there has been no concealment, why do not the persons concerned stand by the word of the President? Why does not the President stand by his own word and let Congress and the public have the facts?

Mr. BUTLER. I answer the Senator from Tennessee by saying that the President has stood by his word, and that the subcommittee of which the Senator from Tennessee is chairman has received full and complete information in connection with the contract.

Mr. KEFAUVER. I shall develop that point. The Senator from Maryland was present when the officials concerned said they would let our staff have certain information.

Mr. BUTLER. I made certain that the record showed that when Mr. Hughes said the Senator from Tennessee could have access to the record, it would be in accordance with the terms of the Executive order of the President. The record is clear on that point.

Mr. KEFAUVER. The record is not clear. The record shows that the President held himself out as wanting the public to have the facts. The record is clear that the executive branch is now concealing them and is covering them up. They now do not want Congress and the public to have the facts.

Mr. BUTLER. Mr. Hughes is not that kind of man. He appeared before the subcommittee headed by the Senator from Tennessee, submitted to an oath, and told the truth. He has told the Senator from Tennessee that there is no additional information.

Mr. KEFAUVER. If the Senator from Maryland will be seated and will listen to my statement, I think he will be convinced that there is additional information. That will be developed as I proceed.

Mr. BUTLER. I do not intend to let the RECORD stand containing the statement that Mr. Hughes unequivocally said that the Senator from Tennessee or his staff could have access to the files, because Mr. Hughes did not so state. The record clearly shows he did not say what the Senator says he said.

Mr. KEFAUVER. The President of the United States said it. Now the President will not let the committee have all the information.

But if the Senator from Maryland will sit down and listen, I think he will agree that very important facts about the matter are being concealed, and that the executive branch does not want the public to learn about them.

Mr. BUTLER. Mr. President, will the Senator further yield?

Mr. KEFAUVER. I refuse to yield further at this point.

It has been brought out, for instance, that Mr. Adolphe Wenzell, beginning in May 1953, was employed by the Bureau of the Budget as a consultant. He became an employee of the United States and was paid a fee of $10 a day and his traveling expenses back and forth. From May 1953 to September 1953, he worked intermittently for the Bureau of the Budget.

It is important to consider who Mr. Wenzell is. Since 1934, he had been vice president of the First Boston Corp., which is an investment banking concern specializing in utility financing.

For the past 10 years, in addition to being vice president, he has been a director of the First Boston Corp., and he was a director at the time he was working for the Government.

It is shown by Mr. Hughes' own testimony and by his letter to the senior Senator from Alabama [Mr. HILL] that during the first period of time Mr. Wenzell worked upon the general matter of public versus private power, namely, costs, TVA methods of financing as opposed to private power methods of financing, and the like. That is contained in a letter which I shall introduce shortly. So, Mr. Wenzell participated in getting the facts together, upon which a very important decision has been made.

It is not easy to understand how in a campaign in October 1952, the Republican candidate for President of the United States promised, not once but several times, that he would fully support the Tennessee Valley Authority; that it would be continued to be operated at maximum efficiency; and that the people living in the Tennessee Valley Authority area did not have anything to fear from the Republican candidate for President of the United States; while later there was a complete reversal, and the TVA was labeled "creeping socialism."

There was a policy change; the factual situation was developed to bring about that policy change. Now there is evidence to warrant the belief that Mr. Wenzell, working both for the First Boston Corp. and for the Government of the United States, even though his activity in the matter was carefully concealed, is the man who played an important part in the policy decision.

Mr. Wenzell came back to the service of the Government. In January, Mr. Hughes himself called him on the telephone and asked him to come back. Mr. Wenzell participated in making the financial arrangements as to interest for the Dixon-Yates group. He read the contract, and helped in its preparation.

Mr. BUTLER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Tennessee yield to the Senator from Maryland?

Mr. KEFAUVER. I yield.

Mr. BUTLER. I sat through all the hearings about which the Senator is talking. Mr. Hughes, under oath, said that when he called Mr. Wenzell in, he was called in for only one purpose, and that was to look into the interest rate so that the Bureau of the Budget would be in a position to know whether or not it ought to accept one or the other of the offers which it contemplated would be made in connection with the building of the plant. There was no mention whatever that I heard during the hearing of his having conferred with the Dixon-Yates group. He expressly denied he knew the Dixon-Yates group was in it. He was dealing with a purely technical question.

Mr. KEFAUVER. It is quite apparent that the Senator from Maryland does not have the record. Mr. Hughes, himself, in his sworn testimony before the SEC, which I was about to read, and shall read in a few minutes, testified Mr. Wenzell was in Washington working for both his corporation and the Government; that he did talk with the Dixon-Yates group, and that Mr. Hughes called him here.

Mr. BUTLER. That may be perfectly true, but Mr. Hughes' testimony was that he never knew anything about it.

Mr. KEFAUVER. I am not going to become too excited about Mr. Hughes' testimony, because he said he did not know the First Boston Corp. was in the picture.

Mr. BUTLER. That is the point I am making. He said he knew nothing whatever about it. The remarks of the Senator from Tennessee impugn his integrity and honesty.

Mr. KEFAUVER. If he is impugned, he has impugned himself. He said he did not know anything about the First Boston Corp., but later he said that the First Boston Corp. was not going to get any fee. Every statement I have made on the floor will be documented by sworn proof presented either before the SEC or before the committees of Congress, if the Senator will allow me to develop my facts.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. In view of what has now been said, I should like to ask leave to read into the RECORD at this point from the transcript of yesterday's testimony. The testimony appears beginning on page 44. Having addressed the chairman of the committee, I asked a few questions of the witness, Mr. Hughes. Let me read them, as follows:

Senator O'MAHONEY. You had called him down?

"Him" referred to Mr. Wenzell.

I tried to summarize all of the subjects and the matters that would be under discussion between you, and your answer was that you didn't remember all of that.

So now I want you to, if you will, give us two questions that you submitted to Mr. Wenzell when he came down in response to your call. Give me two things that you asked him to discuss with you and that justified your calling him in.

Mr. HUGHES. He would have to—he sat in, he sat in a discussion of a number of the conferences when he had a staff discussion of these various phases of the operation.

Senator O'MAHONEY. Well, name one phase.

Mr. HUGHES. Proposal——

Senator O'MAHONEY. Name one phase.

Mr. HUGHES. One particularly was the interest costs; that was one thing we wanted to get him in primarily.

Senator O'MAHONEY. The interest costs on the bonds?

Mr. HUGHES. That is right, what they could be financed for.

Another thing was what kind of a percentage could be paid against equity with bond financing; that we didn't know anything about at all.

Senator O'MAHONEY. Then you were aware of the fact that the equity in this deal was the capital of the generating company, $5,500,000?

Mr. HUGHES. It had not reached that stage at that time, Senator.

Senator O'MAHONEY. Well, that was the agreed-upon capital, was it not?

Mr. HUGHES. Finally; yes.

Senator O'MAHONEY. You were there when it was agreed upon, that the capital would be $5,500,000, and the debt $92,914,000?

Mr. HUGHES. Which is about 5 percent. The question was whether it should be 5 percent or 10 percent, or what the ratio should be to have the bonds the best marketable security.

Senator O'MAHONEY. Well, were you and Wenzell in conference on the determination of the question of the disparity between equity and debt, $5.5 million—

I had not finished my question when Mr. Hughes answered:

Mr. HUGHES. Along with many others.

It will be seen, Mr. President, that my question to Mr. Hughes was:

Well, were you and Wenzell in conference on the determination of the question of the disparity between equity and debt, $5.5 million—

Mr. Hughes' answer was:

Along with many others.

So that it is clear from the record that Mr. Wenzell was called in conference by Mr. Hughes, not alone with respect to the interest upon the bonds, but with respect also to the disparity of the equity and the debt.

If the Congress and the people of the United States are to understand this transaction, the importance of that fact is that the Director of the Budget told us that he thought a representative of the First Boston Corp. was engaged in discussions of the amount of capital which should be put up and the amount of debt which should be allowed; that there was an issue as between 5 percent and 10 percent. This issue was finally determined upon the basis of $5½ million capital and $92 million debt.

As was clearly demonstrated from the other papers on file, and of public record, the interest upon the debt and the payments which were to be made by the United States would carry the debt, and this was an arrangement all made in chamber, behind closed doors, with the purpose of supplying power to the Atomic Energy Commission through the TVA—a measure which was designed clearly, from the evidence already before us, to destroy the Tennessee Valley Authority by indirection.

But what has developed since that time has clearly demonstrated another fact, namely, that the Government of the United States was asked by the same Director of the Budget to appropriate $6½ million, $1 million more than the capital stock of the company, to build a transmission line. The issue now pending before this body is whether or not we shall plunge our hands into the people's Treasury and spend $6½ million to build a facility to transmit power for the generating company which was set up as a result of negotiations testified to at the hearing—generating company whose equity is only $5.5 million, and whose debt, as approved by Government officials, in secret session, is in excess of $92 million.

It is one of the most amazing and, I think, scandalous transactions I have ever heard about in all my experience with the Government.

Mr. KEFAUVER. I thank the Senator from Wyoming very much.

Mr. GORE. Mr. President, will my colleague yield to me?

Mr. KEFAUVER. Mr. President, the Senator from Wyoming brought all this out very clearly yesterday, in the hearings before the subcommittee. It is quite apparent that over a long period of time the Senator from Wyoming has been, and he continues to be, one of the most eminent authorities, not only in the Senate, but in the Nation, on such matters. He has pointed out how Mr. Wenzell was there, not only with reference to the interest rate, but also with reference to how much money the Dixon-Yates crowd should put up and what their equity would be.

It is also important to note that Mr. Hughes testified that at the time when the important question of how much the equity capital should be came up, and also the question of whether the Dixon-Yates contract should be executed—and he saw, and had a part in, the development of the two contracts, according to his own testimony—Mr. Wenzell was called to Washington because at that time the Bureau of the Budget had no expert along that line; that Mr. Wenzell was an expert on that kind of financing, and called in for the purpose of advising and directing and helping the Bureau of the Budget in connection with it.

Mr. GORE. Mr. President——

Mr. KEFAUVER. Mr. President, I yield now to my colleague from Tennessee.

Mr. GORE. Mr. President, I wish to point out to the distinguished junior Senator from Wyoming that the proposed transmission line to which he referred is not the only transmission line which goes to the Dixon-Yates combine, free of charge. There is capitalized within the Dixon-Yates contract another transmission line, to take the excess power to the Arkansas Power & Light Co., which transmission line is free of charge, to be paid for by the taxpayers of the United States. Does not the Senator from

Wyoming think that adds to the oddity of this contract?

Mr. O'MAHONEY. If I may reply, Mr. President, to the question, and may do so in the time of the senior Senator from Tennessee [Mr. KEFAUVER]——

Mr. KEFAUVER. I yield again to the Senator from Wyoming.

Mr. O'MAHONEY. I thank the Senator from Tennessee.

Then let me say, Mr. President, by way of reply, that, of course, I agree with the statement of the junior Senator from Tennessee, and it emphasizes another factor in this transaction, namely, that the so-called Dixon-Yates contract is represented to the people of the United States as a necessary project to supply power to the Atomic Energy Commission, whereas the contracts, the agreements, and all the official papers which have been signed in connection with it show that the company will produce much more power than is necessary for the Atomic Energy Commission, and will distribute the surplus power to subsidiaries or associates of the holding companies which manage the Mississippi Valley Generating Co., otherwise known as the Dixon-Yates plant. Yet the Government of the United States is appropriating funds for the purpose of enabling this company—which would not subscribe sufficient capital to carry on as a private enterprise—to operate in this way. This is being done in order to attack what has been called the creeping socialism of the TVA. I do not know what name we can apply to an agreement of this kind.

Mr. GORE. The Senator from Wyoming would not call it free enterprise, would he?

Mr. O'MAHONEY. It is not free enterprise, because the enterprisers do not put up the money which is necessary, according to the evidence before the SEC and the evidence before our committee. The Government of the United States is putting up the money.

Mr. GORE. The profit is free.

Mr. O'MAHONEY. And that is the reason why the transaction is being concealed. That is why the Director of the Bureau of the Budget—after having said to the committee, yesterday, that he would be glad to receive the staff members of the committee and give them the information he did not have with him then—this morning refused to grant the information.

Mr. GORE. And now that the city of Memphis has officially determined to build its own plant, the administration is insisting upon the appropriation of $6,500,000 of the people's money to connect a nonexistent plant with a nonexistent market, in order to try to legitimatize this thoroughly unjustified proposition.

Mr. KEFAUVER. I thank the Senator for his contribution.

Mr. BUTLER. Mr. President, will the Senator from Tennessee yield to me at this time? I ask him to yield only briefly.

Mr. KEFAUVER. I am anxious to get back to a discussion of the corruption in this transaction. We know already that the Dixon-Yates proposal is outrageous.

Mr. BUTLER. Mr. President, will the Senator from Tennessee yield to me at this point?

Mr. KEFAUVER. I yield.

Mr. BUTLER. I am only interested in Mr. Hughes. I was at the hearing yesterday, and I heard Mr. Hughes testify. I think the Senator from Tennessee has abused Mr. Hughes. I wish to say to the Senator from Tennessee that Mr. Hughes made perfectly clear that Mr. Wenzell had nothing whatsoever to do, insofar as Mr. Hughes' knowledge went, with the formation of any policy in connection with the Dixon-Yates contract. He did say—as the Senator from Wyoming has said, and as I said some few minutes ago—that he had to do with the financing aspects. I did not say "the rate of interest"; I said, "financing." And then a little later I pinpointed the rate of interest. But the testimony is unequivocal that Wenzell had nothing to do with policymaking.

Mr. KEFAUVER. I can say that if the decision as to the amount of equity is not a policy decision, then I do not know what a policy decision is. If Mr. Wenzell did not have anything to do with this matter, and if they are acting aboveboard and want the public to know the facts, then why do they conceal the facts today?

Mr. BUTLER. Mr. President, will the Senator from Tennessee yield once more to me—and then I will not bother him further.

Mr. KEFAUVER. Very well. I am anxious to have an opportunity to present my facts in an orderly manner.

Mr. BUTLER. The policy the Senator from Tennessee has talked about I assume is the so-called change of heart by the administration away from one of benevolence toward TVA.

Mr. Hughes said that the policy involved was whether the plant be built by free enterprise or at the taxpayers' expense. The administration set the policy that it be done by free enterprise. The method of carrying out that policy certainly has nothing whatever to do with anything but detail. It has nothing to do with the determination of the basic policy.

Mr. KEFAUVER. But the Senator from Maryland completely overlooks the fact that Mr. Wenzell was there, working for the First Boston Corp., carrying water on both shoulders.

Mr. BUTLER. But the testimony of Mr. Hughes was to the effect that he knew nothing whatever about that.

Mr. KEFAUVER. The Senator from Maryland is so wrong. Mr. Wenzell was there from May 1953, until September 1953; and the policy decision was made in November or December. As for Dixon-Yates itself, Mr. Wenzell returned to the Bureau of the Budget on January 14 and at that time there was no Dixon-Yates. He participated at the meetings at which the deal was being formulated.

Mr. BUTLER. But Mr. Hughes expressly said that insofar as his knowledge went—and he was in charge of the transaction—Mr. Wenzell had nothing to do with policy, but only with questions of financing.

Mr. KEFAUVER. Then why is Mr. Wenzell's report concealed? Why is it not put out on the board, where we can see it?

Mr. BUTLER. His report has not been concealed; and I take exception to the statements about "concealing."

Mr. KEFAUVER. Then why could not the staff get it, this morning?

Mr. BUTLER. The staff went there on a fishing expedition, and got no fish; that is all.

Mr. KEFAUVER. I shall read one paragraph of Mr. Hughes' letter, which I received about noon. I shall read the remainder of the letter, later on. The paragraph of Mr. Hughes' letter to me, which I shall read, is as follows:

> Under these circumstances we have also reviewed the report which Mr. Wenzell made as an adviser in September 1953, and find that that had nothing to do with the Dixon-Yates contract; and, as a confidential document, under the general ruling, therefore, cannot be available to your committee.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. ANDERSON. I should like the Senator from Tennessee to recognize that the discussion about free enterprise and creeping socialism is a pretty serious one to throw into this transaction. Actually, we built a plant known as the Ohio Valley Electric Co. plant. It was initiated during a Democratic administration. It was initiated by a Democratic member of the Commission. It involved a 100-percent use of so-called public utilities. They were privately owned utilities, and they supplied the power for the plant at Portsmouth—far more power than is involved in the Dixon-Yates contract.

Secondly, with respect to the plant at Paducah, the offer was made to the companies to take more power than they were furnishing. Private utility companies were supplying all the current they were willing to supply. The only reason TVA got as much business as it did was that the private companies could not take care of the demand. To say that that is no private enterprise is, in my judgment, a pretty serious misstatement of the fact. But this contract is neither free nor enterprise. You just sit down and eat watermelon, and do not have to spit out the seeds. [Laughter.]

Mr. KEFAUVER. I thank the Senator. No Member of the Senate is better qualified to analyze the contract than is the distinguished Senator from New Mexico, who is chairman of the Joint Committee on Atomic Energy.

Mr. President, I desire to get back as soon as possible to the question of corruption, and the fact that the Senate and the people have not been treated fairly in this matter.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to my colleague.

Mr. GORE. I realize that the Senator wishes to proceed with his speech. However, the question has been raised as to what is policy and what is not policy. I hold in my hand the articles of incorporation of the Mississippi Valley Generating Co. I read from article 7:

> The amount of paid-in capital with which the corporation will begin business is $300.

I ask my colleague if it is a matter of policy, or is not a matter of policy, to award a contract, without competition, to two men who have not yet even incorporated, and then agree to allow them to begin business with $300, and give them, without competition, a contract for $120 million. That is the kind of transaction in which Mr. Wenzell participated.

Mr. KEFAUVER. That may be policy, but it is a kind of policy which might well be concealed. I am not surprised that there is an effort to cover up and conceal it. That is exactly what Mr. Wenzell participated in. He was the financial expert and technician, working on this project long before the present contract was made. He was called back specifically by Mr. Hughes to help with the consummation of it. If he was not an important personage in this transaction, I do not know who was important. His name has been deliberately omitted from the chronology of both Mr. Strauss and Mr. Hughes. Such chronology consists of hundreds of pages.

To summarize briefly, the Dixon-Yates contract had been severely criticized. The administration had been criticized for entering into it. Whereupon the President of the United States, with much fanfare and much acclaim for wanting all the facts known, stated, on August 18, 1954, that the press and everyone else were invited—not merely permitted, but invited—to examine any papers in connection with the transaction, and get the complete record "from the inception of this idea to this very minute; and it is all yours."

I have referred to the fact that, following that statement, these so-called releases were made by Mr. Hughes and Mr. Strauss, with much fanfare. They boasted of having given out all the facts.

I have shown that in the testimony before the Securities and Exchange Commission, it developed that Mr. Adolphe Wenzell played an important part in this transaction, carrying water on both shoulders, working, at the same time, for the corporation which became the financial agent, and also for the Government. His name is not mentioned in the chronology.

I have spoken about a speech by the Senator from Alabama [Mr. HILL] bringing out certain facts. I have said that there were other meetings, which apparently have been purposely concealed from view and omitted from the chronology. I have said that there was reason why a meeting of a subcommittee of the Committee on the Judiciary was held yesterday to try to develop the entire story, put it all together, and ascertain just what part Mr. Wenzell played, as well as the part played by his associate, Mr. Miller. I shall discuss him later. We wanted to find out what happened at these unrecorded meetings.

We held a meeting yesterday. The Senator from Wyoming [Mr. O'MAHONEY] was present. The Senator from Maryland [Mr. BUTLER] was present. Mr. Hughes could be present for only a limited length of time. We were unable to discuss with him all the subjects we wished to discuss. So there will have to be further meetings.

At the hearing yesterday there was pointed out to Mr. Hughes President Eisenhower's order as to full disclosure. Then Mr. Hughes was asked quite a number of times whether he would make certain records available, whether the staff of the committee could go over certain records. Mr. Hughes stated, in substance, that so far as he was concerned, it was all right with him; that there was a general rule about reports, and so forth, but that, inasmuch as the President had made a statement, he did not see any objection.

I read one paragraph from page 13:

Senator KEFAUVER. Are you in conformity with the press conference remarks that the President wanted every bit of information disclosed to the public, it being a question that a committee of the Congress——

Mr. HUGHES. I shall try my best to work it out in conjunction with these too, and you will have to let me look at it first to make sure, but I see no objection at the present time.

Later he was asked if we could see the travel vouchers of Mr. Wenzell, and he said we could see the travel vouchers. Later we asked him if we could see the report made by Mr. Wenzell in September 1953. He said that our staff could see the report. The matter was summarized, and, so far as he was concerned, he felt it would be all right.

In colloquy, the Senator from Wyoming [Mr. O'MAHONEY] asked about certain things. Finally Mr. Hughes said:

As far as I can see, I can see no reason—

Referring to no reason why the staff could not see certain memoranda and other information in this connection.

After a little further colloquy about specific requests, Mr. Hughes said:

I have no purpose in hiding anything, despite the implications of some of the questions. I have no intention of hiding anything, but I would not want to give incorrect information. I would not want to give misleading information.

Mr. President, this morning Mr. Keeffe and members of the staff of the committee went to the office of the agency to see the records and to get the full story, as we thought the President wanted the public to have it, and as the press had been invited to get it. They were met with a stone wall. They could not see anything. They could not see the travel vouchers. They could not see the report. No papers were available for them. Nothing was available for the staff of the committee.

Shortly before noon today I received a letter from Mr. Hughes, and I ask that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., June 28, 1955.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR SENATOR KEFAUVER: As I told you yesterday, with regard to your request for any material in our files in addition to that which had already been released relative to Dixon-Yates and then also that your staff come down and go through our files, talk with Bureau staff, and determine for themselves what miscellaneous papers, interoffice memorandums, etc., they wish to extract, we have reviewed the situation to see what steps can be taken toward complying with your request. As pointed out to you, we operate under the President's general instructions with regard to interoffice and intraoffice staff material, that such material is not to be made public. All documents which involve final decisions of public policy have, of course, already been made public. You pointed out that you interpreted the President's statement at a press conference last fall to indicate that they did not apply in this case. I have checked on this matter and I am authorized by the President to state that his general instructions stand, but that we, of course, stand on the decision to make every pertinent paper or document that can be made public under this ruling available to you. A quick review of our files last night disclosed no other papers or documents to be added to the somewhat voluminous releases already made, but we shall make a full and careful search in the next few days to confirm this or to pick out material, if any, which should be added to that previously released.

Under these circumstances, we have also reviewed the report which Mr. Wenzell made as an adviser in September 1953 and find that that had nothing to do with the Dixon-Yates contract and, as a confidential document under the general ruling, therefore cannot be made available to your committee.

We will arrange, in order to be of such assistance as we can, to have Mr. Focke, our legal adviser, available for Mr. Keeffe so that Mr. Keeffe may make requests of him in writing for any particular paper or information that he thinks should be properly made available. Every such request will be considered on its merits and we will do our best to cooperate where we can do so properly.

Sincerely,

ROWLAND HUGHES,
Director.

Mr. KEFAUVER. The letter states:

All documents which involve final decisions of public policy have of course already been made public. You pointed out that you interpreted the President's statement at a press conference last fall to indicate that they did not apply in this case. I have checked on this matter and I am authorized by the President to state that his general instructions stand, but that we, of course, stand on the decision to make every pertinent paper or document that can be made public under this ruling available to you.

Mr. Hughes states that he will look around to see if he can find anything else.

It appears from this situation, and because of the scandal of Mr. Wenzell's employment by both the Government and the First Boston Corp., that there is an effort to conceal certain meetings in which he participated and to which I shall refer, and also to conceal from the public other important information. There is now a repudiation of the agreement to let members of the press and others have access to all the information. Members of the press are said to be entitled to it. Members of the United States Senate and their staff apparently are not to get it.

What is meant by saying that all the cards are on top of the table, when some of them are held under the table and up the sleeve, and when information is not disclosed, particularly when we are faced with the duplicity of this man working for both a private corporation and the Government?

Mr. President, this kind of thing will not stand up. It is one thing to get a big headline about wanting all the information to be made public, but another thing, apparently, when the rub comes, and information which will hurt someone is about to come out, to clam up and refuse to release any more information.

Let us see what some of the things are that we would like to inquire into.

Mr. ANDERSON. Mr. President, will the Senator yield for a moment at that point?

Mr. KEFAUVER. I yield.

Mr. ANDERSON. Before the Senator from Tennessee enumerates the things he would like to inquire into, I should like to suggest to him two matters concerning which I would appreciate obtaining some information when Mr. Wenzell testifies. First of all, I should like to see the financial contract which has been drawn between Dixon-Yates and the suppliers of the money. There are some provisions, at least, referred to in the general report to the Atomic Energy Commission, which we are not able to find. I think it would be very interesting to ascertain exactly what the terms and circumstances are.

Secondly, I believe the Senator himself, coming from Tennessee, would be very much interested in finding out the length to which Mr. Wenzell went to obtain information on the Tennessee Valley Authority; that is, whether he did not call for information far more detailed than had ever heretofore been requested, with the obvious thought of some day of making the TVA go through the banking houses of New York for financing.

Mr. KEFAUVER. The Senator from New Mexico has brought up two very important matters which bear directly on this deal. However, I must point out to the Senator that, although there was a great deal of publicity about how this transaction being open and above board, I know of no way of getting that information, because those in authority have repudiated their agreement, they have gone back on what they said about candor in this matter, and are now adopting a policy of concealment. I hope we may be able in some way to find out about the two important matters the Senator has mentioned, although I do not know how we will do it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. KEFAUVER. I am glad to yield to the distinguished minority leader.

Mr. KNOWLAND. In the first place, is it not correct to say that the question relative to the authorization for this type of contract was rather fully discussed in the United States Senate a year ago in a protracted debate, which continued so long that we even held some long night sessions; that subsequently to that time the matter of the contract under the legislation was brought before the Joint Committee on Atomic Energy, and very prolonged hearings were held by the Joint Committee on Atomic Energy, in which there was full disclosure and full discussion of the matters leading up to the negotiation of the so-called Dixon-Yates contract?

The matter has been before the Committee on Appropriations, and it has been discussed on the floor of the House, where a move was made to strike out the appropriation for the transmission lines.

The Senator is also aware of the fact that the amount of power to be made available to the Valley of the Tennessee under the so-called Dixon-Yates contract is 600,000 kilowatts.

I know the Senator went before the Committee on Appropriations when we were discussing the matter, and the testimony before the committee was that even with the Dixon-Yates 600,000 kilowatts, and with the additional power generating facilities in existing plants, by the year 1958, I believe it was, there would still be a shortage of power in the valley of the Tennessee.

I am sure the Senator is also aware of the fact that the position of the President of the United States was that he did not want to deprive the people of the Valley of the Tennessee and the Tennessee Valley Authority area of any opportunity to move ahead in their development both industrially and domestically; and for that reason this suggestion was made.

The testimony, as I am sure the Senator well knows, is that at the present time the amount of the steam generation in that area, as distinct from hydroelectric power, is approximately 60 percent, and ultimately, by 1957 or 1958, will be almost 70 percent. The reason for the position of the President of the United States is that he felt we would get into a field in which, as a matter of public policy, Congress and the American people ought to determine whether the Federal Government should go into each of the 48 States of the Union and build hydroelectric plants——

Mr. KEFAUVER. Mr. President——

Mr. KNOWLAND. If the Senator will permit me to continue——

Mr. KEFAUVER. I do not desire to cut the Senator off, but I want to get back to the issue I am discussing here today—one of corruption—and I do not wish to argue the Dixon-Yates matter on its merits at this time. However, I will not interrupt the Senator.

Mr. KNOWLAND. I will say to the distinguished Senator from Tennessee that he should disclose to the Senate and to the country that hearings, which were very prolonged were held before the Joint Committee on Atomic Energy, and hearings have been held before the Committee on Appropriations. The Senator called a meeting of his subcommittee of the Judiciary Committee in the absence of the ranking minority members of the committee——

Mr. KEFAUVER. Just a minute.

Mr. KNOWLAND. I believe that the ranking minority member of the Committee on the Judiciary in a telegram to the Senator from Tennessee requested that he be given 1 week and that the matter be taken up next week. I am sure the Senator from Tennessee would be the first to admit that he has not been entirely disinterested and an unprejudiced chairman in regard to the Tennessee Valley matter. It seems to me not at all unreasonable, from the standpoint of a sound public policy, that the minority should not be deprived of their representation in a hearing of this kind, where an effort is made further to embarrass the President of the United States and the administration on a program about which there may be an honest difference of opinion, but which cannot truthfully to be said to involve any corruption—a program by which the President was endeavoring to help the people of the Valley of the Tennessee to meet their power requirements, and one with respect to which I believe Congress should establish the basic policy.

Mr. KEFAUVER. I should like to answer briefly the Senator from California. However, I do want to get back as soon as I can to the thread of this story.

In the first place, I should like to respond to the Senator's suggestion concerning the committee. He usually has his facts entirely accurate, but this time he apparently has missed the boat.

The chairman of the Committee on the Judiciary appointed a special subcommittee, composed of the Senator from North Dakota [Mr. LANGER], a Republican; the Senator from Wyoming [Mr. O'MAHONEY]; and myself, to conduct a hearing on the subject and on matters growing out of it. The matter was taken up with the Senator from North Dakota [Mr. LANGER], who suggested that the hearing proceed. He was anxious that it be not held up. So the minority was consulted, and full agreement was reached with the minority.

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee yield at that point?

Mr. KEFAUVER. I received a telegram from the Senator from Wisconsin [Mr. WILEY] on Sunday afternoon, saying he hoped the hearing could be postponed to some time when he could be present.

I telegraphed him that he was not a member of the subcommittee designated to hear the matter. Request was made in the Senate to hold a hearing, and there was no objection. The Senator from Maryland [Mr. BUTLER] was present. I cannot see why the Senator from California would want the hearing held up when it was designed to bring out matters which the President of the United States, in August 1954, said he desired to have brought out. I should think the Senator would wish to cooperate.

Mr. KNOWLAND. If the situation were reversed——

Mr. KEFAUVER. Mr. President, I have not finished answering the Senator from California. I shall not yield until I have finished.

It is true that the whole matter has been debated, but it has not been in the light of all the facts. I am certain that the Senator from California would want a decision reached when all the facts are brought out, so that we could see who was involved, the background, and so forth. We have now struck an obstacle. We are having difficulty getting the facts.

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee yield at that point? In other words——

Mr. KEFAUVER. I refuse to yield until I have finished my answer.

I am sure the Senator would agree that Mr. Wenzell was not mentioned in all the hearings and debate, although he played an important part in the matter, as both an officer of the First Boston Corp. and an employee of the Bureau of the Budget. If the minority leader can find in all the debate and in all the records any record of Mr. Wenzell, I will yield the floor and sit down now. I should think the minority leader would be very anxious to have a full disclosure made, particularly when there is a very strong suggestion that the Criminal Code has been violated.

Title 18, paragraph 434, of the Criminal Code, as the minority leader no doubt knows, reads as follows:

INTERESTED PERSONS ACTING AS GOVERNMENT AGENTS

Whoever, being an officer, agent, or member of, or directly or indirectly interested in the pecuniary profits or contracts of any corporation, joint stock company, or association, or any firm or partnership, or other business entity, is employed or acts as an officer or agent of the United States for the transaction of business with such business entity, shall be fined not more than $2,000 or imprisoned not more than 2 years, or both.

We have desired to find out about that. I do not think the Senator from California, honorable as he is, would want us to be deprived of information which would enable us to determine whether the Criminal Code has been violated.

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. KNOWLAND. I think sound public policy is not being followed when the minority is deprived of representation in a Chamber which is divided 49 to 47. The ranking minority member of the Committee on the Judiciary was entitled to be consulted and his recommendation obtained before the subcommittee was appointed. I think it was a very highhanded move to appoint a committee and to start hearings without the minority having representation and without the ranking minority members of the full committee being given the courtesy of being consulted. If I were on the other side of the situation, having 49 votes to 47, I would not consider it proper treatment of the minority to have a committee engaged in a pursuit of this kind go ahead on an investigation of this sort without the minority being represented, and when the ranking minority member of the committee had requested a 1 week's delay so that he could be present. I think that was a reasonable request.

It is not at all unusual for both Democratic Presidents and Republican Presidents to hold inviolate certain executive papers which constitute interoffice memorandums. The history of this country, from the time of George Washington until now, is replete with instances of the executive branch refusing to open up papers and documents to a general fishing expedition.

Mr. KEFAUVER. I may say in response to the Senator that the Senator from North Dakota [Mr. LANGER] was chairman of the Judiciary Committee in the Republican Congress. The hearing was held with his consent and his knowledge. He was anxious for it to be carried on. I do not know that it is usual to hold up a subcommittee hearing to accommodate some Senator who is not a member of the subcommittee, particularly in view of the fact that the Senator from Maryland [Mr. BUTLER], an able member of the Committee on the Judiciary, was present. I am certain he will verify the statement that if he desired to ask any question he was recognized for that purpose.

If a suggested violation of the criminal code is involved, I should think the Senator from California would not wish any delay or any obstacle to be placed in the way of obtaining the information. That may be what the situation here is.

Mr. ANDERSON. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield to the Senator from New Mexico.

Mr. ANDERSON. I wonder if the Senator knows how hard we tried to find, when the previous debate on this subject was going on, whether there had been a broker involved in handling the Dixon-Yates deal. Day by day we tried to find out the name of the broker, who it was who had participated, and the answer steadily given was, "No one." Yet, by a mere accident one day, there was found a memorandum containing the name of Wenzell. There never was a report by any person connected with the Bureau of the Budget that Wenzell was involved in the transaction. But here was a name which no one could explain. We went around asking, "Who is Wenzell?" It was a long time afterward that we found the man was connected with a financing company. If there had been any disclosure that this was going on, the whole debate might have taken a different turn.

Mr. KEFAUVER. I am sure that no Members on the majority or minority side would have wanted the deal to go through if they had found out about this skullduggery.

Mr. ANDERSON. We considered a waiver which permitted the Dixon-Yates plant to go ahead. An election had been held. It was well known that if there was a delay the matter would naturally come to the 84th Congress, and the waiver would not be granted. Many of us pleaded for delay. But there was no delay, because there were enough votes at that time, and there would not be enough votes after January 1, 1955.

I have in my hand a Holding Company Act Release No. 12857, which was before the Securities and Exchange Commission April 27, 1955, in the matter of the Mississippi Valley Generating Co. On the second page it says that the generating company has entered into a joint purchase agreement with two life insurance companies which have agreed to purchase not exceeding $92 million principal amount of the generating company's 3⅝ percent first mortgage bonds.

If the able Senator from Tennessee could get hold of a copy of that agreement, which I have not been able to do, I would be deeply grateful to him.

Mr. KEFAUVER. I will say to the Senator that it sounds to me like pertinent information. I do not know how we can put side by side the Senator's request for pertinent information and my request for pertinent information, and reconcile them with the President's statement of August 18, 1954, when he said:

Any one of you present might, singly or in an investigation group, go to the Bureau of the Budget or to the chief of the Atomic Energy Commission and get the complete record from the inception of this idea to this very minute, and it was all yours.

I understand that some of the members of the press tried to get more than mere handouts, and they were refused. But it looks as if the chairman of the Joint Committee on Atomic Energy should be able to get those documents, particularly when there was so much fanfare and so many editorials about this transaction being entirely above board, with nothing concealed. But when we come to get the facts we want, when we come to evidence of a man serving two masters, we find a closed door. I do not know how the Senator can get the facts.

Mr. GORE. Mr. President——

Mr. KEFAUVER. I yield to my colleague, the junior Senator from Tennessee.

Mr. GORE. The senior Senator from California referred to the Senate debate on the Dixon-Yates contract, then to the committee hearings, and then to subsequent Senate debate and action on the matter. As I understand, that is not the subject of the inquiry of the senior Senator from Tennessee. Those are all matters of public record.

It has now been testified under oath that there was a prior meeting—that is, a meeting prior to the Senate debate—between Mr. Dixon, representing a private power company; Mr. Adolphe Wenzell, who it now appears was representing both the Bureau of the Budget and the First Boston Corp.; Mr. Lewis Strauss, Chairman of the Atomic Energy Commission; and Mr. Roland Hughes, Director of the Bureau of the Budget.

Is it not about what was done at such meetings as that that the senior Senator from Tennessee wishes information? He is not seeking information about the debate on the floor of the Senate and the proceedings before congressional committees, because those proceedings are matters of record; they are above board and in the open. It is the covert meetings about which the Senate and the country deserve information.

Mr. KEFAUVER. The Senator is correct. I should think there ought to be a unanimous effort to help the President carry out what he said he wanted to have done. It is somewhat disconcerting to find people talking both ways about these matters. Especially in a highly suspicious deal such as this, in which so many precedents have been broken, I think there should be no resistance to supplying the information which is sought by the chairman of the Joint Committee on Atomic Energy, the junior Senator from New Mexico [Mr. ANDERSON], and by the chairman of the subcommittee of the Committee on the

Judiciary. It is information that perhaps the Attorney General of the United States might need in considering whether the criminal code has been violated.

Mr. Hughes himself in his testimony has brought out some matters which need to be gone into much further. He said that Mr. Wenzell came into the Government in May 1953, and stayed until September, when all the reports were called in from the TVA, and power studies were made. Of course, by the time immediately before the big policy decision was made, Mr. Wenzell had got together the facts, apparently, upon which to make that policy decision. He made a report to the Bureau of the Budget, so Mr. Hughes was asked if he would furnish it to the committee.

Mr. Hughes said he would endeavor to furnish it to the committee. It was thus understood that he would furnish the report to the staff of the committee today. But when the staff of the committee asked for the report today, they could not see it. What is in the report? What is there to hide? Mr. Hughes apparently is willing, or said he was willing, to have it submitted.

Mr. President, I have never seen such withholding, holding back, or covering up; but I can understand it, because it is necessary to have a lot of covering up to get a contract like this through Congress.

Let us see what else Mr. Hughes had to say. He did not even remember, or did not even know, that the merged First National City Bank had become the financial agent for the bond transaction. The First National City Bank was the bank of which he had been the comptroller.

I may say frankly for Mr. Hughes that there is no evidence that he had anything to do with the First National City Bank, the bank with which he had been associated before he came to Washington, being the agent chosen under the indenture arrangement. But as the Director of the Bureau of the Budget, who is supposed to know all about the matter, he did not even know that the First National City Bank had been made the financial agent.

Another strange thing was that Mr. Hughes wrote two letters to the senior Senator from Alabama [Mr. HILL]. I want to examine those letters, to see if my colleagues in the Senate think he acted quite fairly with the senior Senator from Alabama.

The senior Senator from Alabama made a speech in the Senate in which the Wenzell matter was referred to. Prior to that, on February 11, the senior Senator from Alabama had called Mr. Hughes—apparently he got Mr. McCandless—in an effort to get a message from Mr. Hughes about who Mr. Wenzell was.

On February 11, 1955, Mr. Hughes wrote a letter to the senior Senator from Alabama, which appears on page 1716 of the RECORD of February 18. I shall read the letter. It is a very remarkable document. The letter was from the Director of the Bureau of the Budget, who had the leading oar in the whole matter, and who had been working on the financing from May to September.

Mr. Hughes personally called Mr. Wenzell back in January. He was there during all the transactions with Mr. Hughes. This is the letter which Mr. Hughes wrote to the senior Senator from Alabama:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 11, 1955.

Hon. LISTER HILL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR HILL: This is in reply to your inquiry of earlier today as to whether Mr. Adolphe H. Wenzell had ever been employed by the Bureau of the Budget and, if so, the nature of his employment.

Bureau of the Budget records show that on May 20, 1953, Mr. Wenzell was invited to serve as a consultant without compensation, to Mr. Joseph M. Dodge, then Director of the Bureau of the Budget. Mr. Wenzell's consultative services were used intermittently for a total of 34 days between May 20, 1953, and March 2, 1954, when he completed his work.

Mr. Dodge advises me that Mr. Wenzell was engaged as a technical expert to advise the Director of the Budget regarding the accounting system of the Tennessee Valley Authority, particularly as to comparison of its annual reports of earnings with those of private industry, which has differing requirements as to taxes, interest, etc. Mr. Wenzell was requested to analyze and explain the differences in the two types of accounting systems and their significance in measuring real results. Mr. Wenzell was also asked to review the allocation system for distribution of costs between power, navigation, flood control, and other purposes, concerning which the Bureau of the Budget makes recommendations to the President.

I trust that this provides the information you desire.

Sincerely yours,
ROWLAND HUGHES,
Director.

Mr. Hughes used the words, "Mr. Dodge advises me that Mr. Wenzell."

Mr. Dodge was not the Director in February 1955. Did not Mr. Hughes know what Mr. Wenzell was doing? It was Mr. Hughes who called Mr. Wenzell back. Mr. Hughes was previously the Deputy Director. He knew what Mr. Wenzell was doing; he testified that he knew what Wenzell was doing.

In the original letter is there not a definite effort to conceal the fact that Mr. Wenzell was working on the Dixon-Yates contract? The senior Senator from Alabama in his speech brought out the fact that Mr. Wenzell had been working on the TVA contract.

Following the speech by the senior Senator from Alabama, and apparently not wanting to let the matter stand in that situation, Mr. Hughes wrote the Senator from Alabama another letter, in which he brought out what the Senator already knew, namely, that Mr. Wenzell had been engaged by the Bureau for an additional period of time, and that during that time he had been working on the proposal made by the Dixon-Yates group.

Mr. President, that does not quite stand up. These letters do not ring true.

An important thing happened after the Senator from Alabama [Mr. HILL] made his speech. Mr. Hughes testified he wrote the President a letter and took it to the White House, or sent it there, with the speech of the Senator from Alabama. That is one of the documents we wish to find out about. What did Mr. Hughes say about the situation? What did he do about it? That is one of the documents we are denied today.

Mr. President, I do not like the attitude Mr. Hughes took toward a very distinguished Member of the Senate, in the face of uncontroverted evidence of what Mr. Wenzell was doing and what he knew. I asked Mr. Hughes, as appears on page 60 of the hearings of yesterday:

Mr. KEFAUVER. Well, you read Senator HILL's speech in February?

Mr. HUGHES. I was told it was not true.

Senator KEFAUVER. We will get to that later. I think there has been anything but sincerity in giving any information to a distinguished Member of the Senate, Senator HILL.

You read his speech, did you, Mr. Hughes?

Mr. HUGHES. I read it at the time.

Then he said he took it over with a memorandum and gave it to the President.

Mr. President, the speech of the Senator from Alabama was a very mild statement of the outrageous activities of this man who worked for both parties. It was a very mild statement of the concealment of that fact by the Director of the Bureau of the Budget. In the face of knowlege of that fact, the statement by him that "I was told it was not true" does not measure up to the respect which the Senate is entitled to receive, and it is certainly not playing fair with a distinguished Member of the Senate, the Senator from Alabama [Mr. HILL].

A very remarkable thing in this matter is that after finding out all about Mr. Wenzell, apparently, if it was not known before, nothing has been done. The speech of the Senator from Alabama was made on February 18. Nothing has been done to bring the facts before the public. Nothing has been done about making any apology or correcting the record with respect to a man who worked for both the Government and the First Boston Corp.

Let us consider some of the other matters about which we would like to get records, if we could have an opportunity to do so.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the distinguished Senator from New Mexico.

Mr. ANDERSON. Speaking about Mr. Wenzell, I wish to refer to the hearings which the Joint Committee on Atomic Energy held November 4 through about the 13th, 1954, considering the waiver of this contract. Admiral Strauss testified before our group. As appears on page 249 of the hearings, Representative HOLIFIELD questioned Admiral Strauss, saying he would like to get some idea of where the Dixon-Yates project was first brought to his attention, and asked if it was by Mr. Dodge. Admiral Strauss said no; it was by Mr. Williams. Then Mr. HOLIFIELD asked:

Do you know if Mr. Dodge was advised by a consultant who is now employed by any of the Dixon-Yates utility companies?

Admiral Strauss answered:

I have no knowledge of any consultants that Mr. Dodge may have had, or whether he had any.

Did I understand the Senator from Tennessee to say it was well known Mr. Wenzell was a consultant to Mr. Dodge?

Mr. KEFAUVER. I appreciate the Senator's referring to that matter. It would seem to me to be highly unlikely, in view of all the security measures in effect in the Atomic Energy Commission, that, in the first place, Mr. Wenzell, and Mr. Miller, his associate, of the First Boston Corp., could come into Admiral Strauss' office with Mr. Hughes and meet with him on the contract and consult with him in a very vital conference, without Admiral Strauss knowing he was a consultant. Mr. Wenzell testified he was with Admiral Strauss, that he had the original February contract, that Mr. Wenzell went over it, and that he also helped to make a second contract.

Mr. ANDERSON. Was that prior to November 13, 1954?

Mr. KEFAUVER. That would have been in January, February, or March, 1954. That was long prior to Admiral Strauss' testimony. One does not go to a secret meeting in the Atomic Energy Commission, with all the security clearances necessary in the Commission, without somebody knowing he is there. One does not turn over a contract to someone for revision, without someone in the Commission knowing he was there. I think the facts must fully substantiate Mr. Wenzell's own testimony that Admiral Strauss knew where Mr. Wenzell was, that he met Admiral Strauss, that he took part in the negotiations. Yet Admiral Strauss did not mention his name in the chronology released by the Atomic Energy Commission.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to my colleague from Tennessee.

Mr. GORE. Does not the Senator think it is rather strange that this important figure, Adolphe Wenzell, is unmentioned in the chronology furnished by the Bureau of the Budget and the Atomic Energy Commission? Does the Senator not recall, in that connection, that Mr. Hughes acknowledged yesterday, before the Senator's committee, that he and Admiral Strauss conferred as to the contents of the report which was finally released?

Mr. KEFAUVER. Yes, he testified that they conferred about it. The report was apparently drawn up purposely leaving out several meetings which Mr. Wenzell attended. In my discussion I shall come to a very important meeting in New York to which Mr. Hughes sent Mr. Wenzell to talk to Ebasco and the Dixon-Yates group, a very important meeting of March 2, 1954. That matter is not referred to.

Senators will find many other names mentioned, but nowhere is there mentioned the name of Mr. Wenzell, vice president and director of the First Boston Corp.

Let us take the testimony of Mr. Wenzell before the Securities and Exchange Commission. Mr. Wenzell testified before the Securities and Exchange Commission on June 17, 1955. Many objections to questions were sustained, so that full information could not be secured from him. That is one of the reasons why we need to see certain records from the Atomic Energy Commission. However, we do have some very interesting testimony from Mr. Wenzell. He said he was the one who received the telephone call on January 14 from Mr. Hughes to come to Washington. Yet Mr. Hughes, in his first letter to the Senator from Alabama [Mr. HILL] did not seem to know anything about what he was doing. He had to ask Mr. Dodge about it. He said he reported everything he did to Mr. Hughes. Mr. Hughes did not seem to know very much about what he was doing, and did not even know that First Boston Corp. had become the financial agent.

Mr. Wenzell said he prepared memoranda from his discussions with various persons, including Mr. Hughes. Then he was asked this question:

In this February period that I mentioned earlier, this period that predated the February 25 proposal—

And a little later the question is:

Did you communicate that information with anyone?

Answer. I communicated it, I am sure, to Mr. Dixon and to Mr. Yates.

Question. Did you communicate it to the Bureau of the Budget?

Answer. I certainly did.

And a little later:

Question. At that time, as I understand your testimony, you were also performing as an official of the First Boston Corp. Is that right? You were not devoting full time to the work of the Bureau of the Budget?

Answer. That is right. I had many other duties.

Mr. President, that is some of the information we would like to have; and I think we should have cooperation in finding just what Mr. Wenzell did report.

Here is another question, appearing on page 797 of the SEC hearings:

Question. Did you see this letter before it was submitted to the AEC?

The letter being referred to was an important policy letter in connection with the Dixon-Yates contract.

He replied:

Yes; I saw it.

Question. And did you at the time discuss with Mr. Dixon and Mr. Yates the statement made in this paragraph which I have just read?

Answer. Let me amend my first answer. I think I saw it before it went in.

Then, on page 799, we find an astonishing statement. In connection with all of his work at the Bureau of the Budget, he was asked this question:

Did anyone else talk to Mr. Dixon and Mr. Yates from the First Boston Corp. at that time other than yourself?

Answer. I was the mouthpiece, as far as I know.

So he was being paid by the Government at the same time that he was the mouthpiece for the First Boston Corp., in talking with Messrs. Dixon and Yates. If Senators will examine the chronology, they will find that no meeting on March 2, 1954, is listed in it. But we have come across a memorandum of Mr. Tony Seal—Mr. T. G. Seal—of Ebasco Services, dated March 3, 1954, in which Mr. Seal, representing Ebasco, refers to Mr. McCandless, of the Bureau of the Budget; and Mr. Seal says, in the memorandum:

Those present at the Budget Bureau included Mr. Wenzell, Mr. McCandless, Mr. Schwartz, Mr. Warner, Mr. Pilcher, Mr. Donnelley, and Mr. Grahl and the undersigned.

That was a meeting with Mr. Seal, of Ebasco, who was doing part of this work or was arranging part of the contract for Dixon-Yates.

In the memorandum, at almost the end, Mr. Seal has this paragraph:

Following my visit with Mr. Cook—

Of the Atomic Energy Commission—

Mr. Wenzell rejoined me in our office about 5 p. m., when he had finished his day with the Budget Bureau people and told me that the memorandum had been finished and that Mr. Clapp, of the TVA, and General Nichols, of the AEC, and the Budget Bureau people were to get together today, March 3, in Mr. Hughes' office at 9 a. m. for further intragovernment discussions. We hope to hear how these discussions eventuate later today.

So on that date Mr. Wenzell was, at one and the same time, conferring with the Bureau of the Budget and conferring with Mr. Seal, of Ebasco services. Mr. Wenzell's presence at the conference was enough, in Mr. Seal's estimate, to cause him to put Mr. Wenzell's name first in the list of those present at the conference. This is discussed in the testimony; and we find that the important meeting of March 2 is discussed in the memorandum. Mr. President, I ask unanimous consent to have the memorandum printed at this point in the RECORD, as a part of my remarks.

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Is there objection?

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MARCH 3, 1954.

Monday night, March 1, I went to Washington at the request of the Budget Bureau people and Mr. R. W. Cook, of the Atomic Energy Commission, to further discuss the recent proposal by Middle South Utilities and the Southern Co. to furnish 600 mw of power to TVA for the account of the AEC. Those present at the Budget Bureau included Mr. Wenzell, Mr. McCandless, Mr. Schwartz, Mr. Warner, Mr. Pilcher, Mr. Donnelley, and Mr. Grahl and the undersigned.

The discussion was largely a review of what had been presented on the preceding Friday, except that it was a little bit more extended because the Budget Bureau people were still concerned about the $200 of capital required per kilowatt of capability. Their comments were not critical so much as they represented an effort to get thoroughly posted on the reasons for the figures, anticipating an argument from TVA, etc.

It will be remembered that at the conference on the preceding Friday we made considerable of the point that TVA's investment figures for any of their powerplant projects did not include interest during construction, working capital, or transmission facilities, and this idea had been pretty

generally accepted. It had been accepted to the point that Messrs. Donnelley and others had worked up figures to show that interest, transmission, and working capital should probably be of a magnitude that would raise the TVA's $180 figure to $200. While this represented considerable of a concession, I pointed out that he was still computing his transmission investment on a purely incremental basis but that I would, of course, readily admit that we had done the same thing. I conceded that if TVA's transmission account were to be evaluated on a system average basis which it will tend to attain over the years, that his figure was too low. We also had some mild disagreement about the size of his fuel inventory, but I told him it was purely a matter of judgment, that we had thought to have inventories adequate for reasonable contingencies, including work stoppages, etc.

The Budget Bureau people had drafted a memorandum which I was permitted to look at in its early stages, which was to be presented to Mr. Hughes last evening on his return from some trip. They were dissatisfied with certain parts of the memorandum and that is why they had asked me to come down.

There was considerable discussion of the effect of the joint proposal on the cost of power and I gave them a memorandum, copy attached, of my concept of how the thing would work. This seemed greatly to clear the air because we had had considerable discussions on the telephone a time or two on Monday about the mechanism.

It was developed that the base price involved in the proposal of $2.73 per kilowatt-month for 693 kilowatt-hours compared with $2.49 for the same service from TVA at Shawnee at the TVA base rate, and that this is $2.88 per kilowatt-year and for 600 mw the increased cost to the AEC would be $1,728,000 per year, and that this compared with an immediate outlay of probably $120 million which the Government would have to make for a Fulton of comparable capacity with all charges included. I took the position that this was due to the additional capital required compared with Shawnee, although I had to admit that Shawnee's $145 per kilowatt did not include working capital, interest during construction or transmission investment. This did not seem to be regarded as too important, however.

Messrs. Schwartz and McCandless finally stated that notwithstanding all the detailed argument, the problem was what the impact of the program would be on the Government, and wanted to know if I had anything to say about that. I told him that to me it was quite simple; that the Government had to get up lots of money at once if they were to permit TVA to build Fulton, whereas under our proposal the amount of money the Government had to get up to pay us was such that it would take many years for them to reach it. Messrs. McCandless and Schwartz thought this was a good argument. One or two of the technical people thought that it should be recognized the interest factor might enter into it. Messrs. McCandless and Schwartz said it was a budget problem.

Upon completion of the foregoing discussions I was excused about 1 p. m. and asked to get in touch with Mr. Cook. I finally was able to do this about 3 p. m. and went to his office, at which place he said that he apparently had a lot of misconceptions about the proposal and would I be good enough to tell him exactly what we had in mind. I told him much of the same thing we had previously told the Budget Bureau people on the preceding Friday. Generally, it was that we had determined the capital requirements from a study made previously as a basis for a proposal to TVA for a lesser amount of power; that we had used the unit costs developed there; that we had no idea as yet of what the exact installation would be; that our figures included about $108 million for production facilities, about $7 million for transmission which was to be used for back-up standby purposes, and somewhere between $4 million and $5 million for working capital; that our annual price, exclusive of taxes, was about $16.04 per kilowatt-year. That I knew that the TVA base rate had already escalated some but that I did not know how much. I did know, however, that representations had been made to the Congress about a year ago at the time of the legislation for cancellation payments, to the extent of about 48 cents per kilowatt-year; and I made it as plain as I knew how that we expected to have the same words and figures in any contract we made with them for the energy charge portion of our rate. That we had no exact idea of how much coal would cost and, while we had investigated to some considerable extent, there was no precedent for the transportation and delivery of coal in the quantities we were thinking about in this area and that it would undoubtedly cost more than it did at Shawnee but that for obvious reasons we had stuck to a base rate.

Some considerable discussion was had about the installation again, and I reiterated that we had no idea what we were going to install but that there was obviously not enough money in the capital requirements we had set up to greatly exceed what was necessary to fulfill the offer to the Commission.

I was then told that they were able to get a very poor understanding of just how the thing would work from our proposal, and was asked what we had in mind and I thereupon gave them the same two sheets (attached) that were referred to above in connection with the discussions at the Bureau of the Budget. This seemed to clarify the matter for them. Mr. Myer was with Mr. Cook during this discussion. I had previously been told that the Budget Bureau had done week-end figuring in connection with the proposal and that some of the AEC people had been participating in the figures.

I did not attempt any arguments with Mr. Cook or Mr. Myer, but tried to confine myself to facts underlying our proposal and the concept upon which it has been put together. This can, of course, be briefly stated as one by which, from our study of the entire situation, the least capital and hence the least total cost would be imposed upon everybody concerned, having in mind the places where TVA needed power as against the places where they had it.

At both the Budget Bureau and at Mr. Cook's office I again, as emphatically as I knew how, when the question came up, took the position that the offer was for the AEC in the interest of all the things the AEC does, but was not to be construed in any way as an offer which we would make to the TVA.

Following my visit with Mr. Cook, Mr. Wenzell rejoined me in our office about 5 p. m. when he had finished his day with the Budget Bureau people and told me that the memorandum had been finished and that Mr. Clapp of the TVA and General Nichol of the AEC and the Budget Bureau people were to get together today, March 3, in Mr. Hughes' office at 9 a. m. for further intra-Government discussions. We hope to hear how these discussions eventuate later today.

A copy of this memorandum is being sent to Messrs. Barry, Dixon, and Yates.

T. G. SEAL.

I. TVA will continue delivery of 600 mw and accompanying energy to AEC at Paducah and AEC will:

A. Pay TVA for 600 mw of capacity by furnishing to TVA (by means of contract with new company) 600 mw of capacity at State line near Memphis.

B. Pay TVA for accompanying energy by—

1. Substituting energy to TVA from new company at Memphis for that amount of energy required by TVA load in Memphis area; and

2. At the present rate, in the present contract for the difference in energy furnished to AEC by TVA with 600 mw of capacity and the amount substituted in IB (1) herein.

II. New company will deliver 600 mw of capacity to TVA at Memphis and no less energy than specified in IB (1) and AEC will—

A. Pay new company for 600 mw of capacity.

B. Energy delivered to TVA in IB (1).

Example:

(a) Assume AEC load has a load factor of 95 percent.

(b) Memphis area load has a load factor of 65 percent.

(c) Present rate for AEC/TVA energy is 2.0 mills per kilowatt-hour.

(d) Rate from new company for energy is 2.0 mills per kilowatt-hour.

(e) Capacity rate for TVA to AEC is $1.10 per kilowatt-month.

(f) Capacity rate for new company is $1.34 per kilowatt per month.

Then—

	AEC bill for 1 kilowatt and 693 kilowatt-hours		
	New company	TVA	Total
Kilowatt-hours at 95 percent load factor	475	218	693
Rate for energy (mills per kilowatt-hour)	2.0	2.0	2.0
Energy charge	$0.95	$.44	$1.39
Capacity charge	1.34	0	1.34
Total	2.29	.44	2.73
Average rate (mills)	------	------	3.94

Mr. KEFAUVER. Mr. President, there is no record whatsoever of this important meeting in the chronology of either the Bureau of the Budget or the Joint Committee on Atomic Energy.

Mr. ANDERSON. Mr. President, will the Senator from Tennessee yield to me at this point?

Mr. KEFAUVER. I yield.

Mr. ANDERSON. I hope the Senator from Tennessee will not lose the memorandum, because it is the first tip-off that anyone named Wenzell was involved in the deal. This memorandum set off the whole chain of circumstances which eventually made it possible to find out that there was a "broker" in the deal.

So I am very happy the Senator from Tennessee has put the memorandum in the RECORD, so it may have some permanence there.

Mr. KEFAUVER. I thank the Senator from New Mexico. I have read the testimony before the Joint Committee on Atomic Energy, showing the tremendous effort made by the Senator from New Mexico and other members of the Joint Committee to learn who the "broker" in this deal was, but they never were able to find out. But the memorandum mentioning Mr. Wenzell happened to get around, and that was the "leak." However, since his name has been mentioned, the executive department has "clammed up." Mr. President, what do they wish to hide? I do not understand. If it was all right for Mr. Wenzell to be there, doing public service and at the same time carrying water on

both shoulders, so to speak—in short, taking a part in helping this official agency deal with the corporation, and also helping the corporation sabotage the TVA—why will not the Administration let the facts be known? I think the American people certainly are entitled to have the facts known.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the March 16, 1955, letter sent by the Director of the Bureau of the Budget, Mr. Hughes, to the Senator from Alabama [Mr. HILL]. The letter should be in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
March 16, 1955.

Hon. LISTER HILL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR HILL: On February 11, in response to your urgent request for an immediate reply that day, I wrote you concerning the consultative services of Mr. Adolphe H. Wenzell to the Bureau of the Budget. Although the condition and nature of Mr. Wenzell's services are set forth in that letter, supplementary information as to the period when his services were used has come to my attention and I am sending it to you to complete the record.

In addition to the services of Mr. Wenzell described in my letter of February 11, our records show that Mr. Wenzell attended, at our request, a few meetings between March 2 and April 3, 1954. Our records further show that these meetings were concerned with technical aspects of the proposal then being made by the Dixon-Yates group.

Sincerely yours,
ROWLAND HUGHES,
Director.

Mr. KEFAUVER. Mr. President, we have some remarkable evidence showing the extent to which Mr. Wenzell was used as the chief consultant and agent and negotiator for the Bureau of the Budget. Mr. Wenzell was questioned regarding a meeting held about the first of February. I read now from the testimony:

Question. Will you tell us how that meeting came about?

Answer. I think that was a meeting that was—I think my first meeting with Mr. Seal was in New York, and I think that was along, as I said, about the first of February, and I think it came about from a suggestion from Mr. Hughes and Mr. Dixon to meet with some other people in Mr. Dixon's office. I think that time it was Mr. Seal and possibly Mr. Canaday. I think that was the first meeting I had with Mr. Seal. I think that was the origin.

Question. And at that time, at that meeting, were you representing the Bureau of the Budget?

Answer. Yes, sir.

Question. Was the Dixon-Yates proposal discussed at this meeting?

Mr. President, that question was objected to, and apparently the objection was sustained.

That meeting is not recorded in the chronology; I refer to the meeting held when Mr. Wenzell was sent to meet, in New York, with Mr. Seal and Mr. Dixon.

A very unusual thing comes about in connection with the fee to be obtained by the First Boston Corp. The First Boston Corp. acted as the financial agent in the so-called OVEC financing, in which a number of companies got together and built a plant for furnishing electric energy for the atomic energy installation at Portsmouth, Ohio. For that they were paid a fee of $150,000.

Mr. Wenzell says in his testimony that when he came down here first he would not have expected the First Boston Corp. to have received compensation. But, Mr. President, the man he had working for him, Mr. Miller, said that he wanted First Boston to get the business. In testimony before the Arkansas Public Service Commission at Little Rock, Ark., Mr. Canaday, who is an officer of Dixon-Yates, testified that the First Boston Corp. and Lehman Bros. helped a great deal and did considerable work for them, and would probably be paid a fee in connection with the loan.

It is a remarkable fact that after this transaction had been going along for quite a long time on the assumption that they were going to get a fee, as late as May 11, 1955, suddenly, when Mr. Wenzell's identity is finally evolved, there is a decision by Mr. Wenzell and his group apparently not to take a fee. I do not think that makes any difference under the criminal code. If they are working for the Government and, at the time they are doing their work, in the beginning or at any other time, if they expect to be compensated by, or are doing some work for a corporation in which they are interested, and which expects to get some business, and if at the same time they are being paid by the Government, there is likelihood that they have violated the criminal code. I am amazed that after this possible or probable violation of the criminal code came to notice nothing was done about it except to conceal the facts.

On page 851 of the testimony before the Securities and Exchange Commission, Mr. Wenzell was asked:

Now, reference has been made in the evidence as to meetings which you attended. Did you attend any meetings with Middle South representatives or Southern representatives, including personnel of Ebasco, other than at the request of the Bureau of the Budget?

Mr. Wenzell replied:

I did not.

Again, with respect to the meeting of March 2, which is not in the chronology, there is a long colloquy about Mr. Hughes directing Mr. Wenzell to attend that meeting.

We also have another person in this transaction, a Mr. Paul Miller. Mr. Miller is an employee of the First Boston Corp. and an expert on bond financing. Apparently after Mr. Wenzell got down here, in his dual capacity, he called Mr. Miller to come down to be his associate. Mr. Miller was not employed by the Federal Government. He was employed by First Boston Corp.

What did Mr. Miller do? Mr. Miller attended meetings at the Atomic Energy Commission. He attended meetings at the Bureau of the Budget. He was kept fully informed on the progress of the transaction. He expected First Boston Corp. to get the business. He testified to these things before the Securities and Exchange Commission.

He was asked:

Had you anticipated prior to that time that First Boston would get the business?

Answer. I certainly had personally hoped so.

Question. State whether or not you felt that your working with them would lead to getting the business.

Answer. I cannot state how I felt. I certainly hoped it would be. We were all going in the same direction.

What kind of situation is this, in which an agent trying to get business for his bonding house can come to Washington and attend secret meetings of the Atomic Energy Commission, with Admiral Strauss, discussing the Dixon-Yates contract, and also attending meetings with the Bureau of the Budget? That is not mentioned anywhere in the chronology. That is certainly information which the public and the Senate are entitled to have.

Mr. President, this is the fifth unusual procedure in connection with this contract.

The first unusual precedent, which has never been heard of in Government before—and Mr. Hughes so testified—was that the President ordered an independent agency, over its objections, to negotiate a specific contract. Mr. Hughes said there was no precedent for it. He had never heard of it being done before. Particularly there is no precedent for it if it is accomplished against the consent of the director of the independent agency, which was the case here.

The second unprecedented action of the President in this matter was specifying a particular firm to get the contract, without competition. It will be remembered, from this record, that the Director of the Bureau of the Budget was ordered to have the Atomic Energy Commission negotiate, not with a group of people, but with one outfit, Dixon-Yates. That is unprecedented.

The third unprecedented feature is that the President dictated the terms of the contract as set forth in the memorandum of the hearings.

The fourth is that he ordered complete tax reimbursement. The Government was to completely reimburse the contractor for all taxes.

The fifth unprecedented feature is that, after we start digging into the facts, there is a coverup of the activities of a very important person. There is a coverup with respect to certain important meetings. The Chairman of the Joint Committee on Atomic Energy is denied certain information. A subcommittee of the Senate Committee on the Judiciary is denied certain information.

Mr. President, these five things are unprecedented. Apparently this concealment is with the consent of the President. The letter shows that Mr. Hughes has talked with him about it. I do not know where the idea came from, but I know that his newspaper release of August 18, 1954, cannot be reconciled with the facts of this particular transaction.

Mr. President, it is a strange thing that Mr. Hughes should invite people to come and get the facts, but that when the committee staff, headed by a capable

lawyer, goes to the Bureau to get the facts, they should be denied the facts. It is a strange thing for the press to be invited to get information, but to have the information denied to a committee of Congress. It is a strange thing that we should hear a great deal of talk about putting all the cards on the table, and then find strenuous efforts made to prevent the facts from being revealed.

I hope the appropriate committees of Congress will appreciate the fact that in this matter there has been a great deal of blowing hot and cold. I have seen enough of it to know that this is an effort to conceal and to hide and to prevent disclosure of pertinent information, and it is further evidence of the fact that we have not yet obtained all the information.

Sooner or later all the information is going to come out, in one way or another. I hope the committees of Congress, who have the great responsibility of deciding whether this contract, which has been commenced in iniquity and fostered in a very unusual and unfair manner, shall be continued; and I hope that the committees will be on notice that there is information about this matter which will have to be brought out and which they ought to know, and that it is very difficult to legislate on this matter without having all the information about it made available. Certainly the committees do not want to be a party to furthering something that must be hidden and concealed.

Mr. President, it is the determination of the subcommittee to do our very best to get the facts, notwithstanding the fact that an effort is made to close the door in our face.

We had Mr. Hughes before the subcommittee for an hour and a half or 2 hours yesterday. He said he could not appear before the committee very long, and for that reason we did not finish with his testimony. He said he had engagements for all of this week during the daytime. Therefore we expect to hold some night sessions of the subcommittee, in order to have Mr. Hughes appear before the subcommittee to give us the information we want.

The withholding of information is making it very difficult, but I am certain that the public will demand a full disclosure. I know that the Members of the Senate, before they pass judgment finally on this issue, will want to have a full disclosure of all the facts. We certainly invite the cooperation of all interested Senators and committees in helping us to secure the information.

Mr. President, I yield the floor.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

Mr. ANDERSON. Mr. President, the bill before the Senate, H. R. 6795, is the first measure presented to the Congress for the specific purpose of authorizing appropriations to the Atomic Energy Commission for acquisition or condemnation of real property, or for plant or facility acquisition, construction, or expansion.

It will be recalled that last year the Atomic Energy Act of 1946 was revised and many new statutory provisions added thereto. One of the additions modified the Atomic Energy Commission's authority to request appropriations and reads in part as follows:

SEC. 261. Appropriations.—There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this act except such as may be necessary for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion.

The purpose of this added language—the exception clause—was, as set forth in the report accompanying this bill, to require the Commission to "obtain congressional approval of new construction or expansion of its plants."

Prior to last year's revisions of the Atomic Energy Act of 1946, the Atomic Energy Commission had general authority to seek appropriations for the acquisition of land or the construction of new facilities as it deemed necessary.

The appropriating committees of both Houses have done a diligent job since 1946 in reviewing programs and appropriating the necessary money for operating expenses as well as for plants and equipment. These funds have made it possible for this country to remain strong in the field of atomic energy.

In revising the act last year, it was deemed advisable to give the Congress additional control of the Commission's program by adding a provision which requires the joint committee to initiate authorizing legislation for plant and facility items for the AEC, just as the Military Affairs Committees do for the Department of Defense.

Thus we now have the statutory committee, which is in possession of detailed and current knowledge of the entire field, passing upon the programmatic aspects of the Commission's proposed budget for new endeavors and for expansion and replacement, and thus certifying to the appropriating committees, as is done in the case of the military, that the programs are essential.

Starting with a $2 billion production system inherited from the Manhattan Engineer District, the wartime atomic energy agency, it is understandable that the Commission, of necessity, had to feel its way for several years. This, in turn, made difficult the accurate forecasting of construction needs in a rapidly changing program such as atomic energy. Among the many problems confronting the Commission during those early years was that of keeping this Nation strong in nuclear weapons and trying to anticipate the future trend of international affairs in order to judge how much effort could be devoted to the peacetime development of atomic energy. It is basic to our democratic system to desire that this great new source of energy should be directed toward peaceful applications. In this respect a remarkable job has been done in making progress on a very wide front encompassing both the national defense needs and the many peaceful applications of atomic energy.

During past years, as the dual program of the AEC unfolded, the appropriating committees have seen fit to place certain restraints or limitations upon the money appropriated for the Atomic Energy Commission's use. These limitations have served effectively in controlling expenditures.

In H. R. 6795 we have legislation which combines the best features of the experience gained during these past years in dealing with the Commission's financial operations while at the same time providing for the necessary flexibility to permit rapid progress in all the varied and essential programs which the Commission needs to continue or deems advisable to undertake.

The joint committee, and its authorizing legislation subcommittee, has considered the items in this bill at great length. The Commission has testified in detail on each of the items which appear in this bill. It is the considered opinion of the joint committee that they all are essential to a well-rounded and forceful program for the development of atomic energy. An examination of the bill will reveal that there are roughly as many projects for peaceful applications of atomic energy as there are items for expediting the military phase of the Commission's programs. I, therefore, can state unequivocally that this legislation authorizes a sound and adequate program.

Senators will note that this bill consists of five sections, the first of which, section 101, lists by item the various construction projects for which authorization is sought. Each of the items carries an identification number. This feature is somewhat new to this type of legislation, but the joint committee felt it desirable to number projects authorized in order to facilitate its future review of the Commission's activities and accomplishment.

Some of the items, it will be noted, are for completely new plants or production facilities while others are additions or modifications to existing plants or facilities for the purpose of continuing programs already underway. An example of the latter category are two items for construction of additional buildings and equipment to facilitate development of aircraft nuclear reactors.

The joint committee has considered each of these items as to their individual importance and as to their essentiality to the overall program. It has not endeavored to establish a hard and fast monetary value for each of these programs, except to set upper limits, but leaves the final consideration of this matter to the responsible appropriating committees of both Houses.

The second section of this bill, section 102, sets forth certain restrictions, deemed advisable by the joint committee, to limit the authority which this bill seeks to give the Atomic Energy Commission for requesting appropriations. These limitations are a combination of

the best features of restrictions contained in previous appropriation bills plus others which the joint committee thought advisable.

It will be recalled that in the previous fiscal year, the Commission was authorized to start construction on all of its projects if, at the time the project was initiated, the estimated cost thereof did not exceed by 35 percent the original estimated cost when the budget was presented to the Congress.

The scarcity of materials and the crash nature of some of the Commission's earlier programs were such that cost estimates were more often than not highly unrealistic and the Commission therefore needed and was given considerable flexibility.

The joint committee now feels, however, that this agency has matured to the point where most of its programs can be anticipated sufficiently far in advance for the preparation of detailed engineering drawings and more accurate cost estimates. Therefore, it has set forth in this bill three categories of construction items which have different degrees of financial flexibility.

The first group, which has been given a leeway of 25 percent—10 percent less than last year—contains projects which the committee feels have enough elements of uncertainty so as to make this degree of flexibility desirable. The second category carries a limitation of 10 percent deviation. Into this group fall the more or less conventional type of building and research equipment for which estimates should be quite accurate and for which only a nominal amount of flexibility needs to be provided. In the third category, which allows no deviation from estimated cost, is the access roads program in the Colorado Plateau area. This is such a routine construction job that no flexibility was deemed necessary.

The pending bill provides authority to request funds for all of the items requested by the executive department except one, and that is the $21 million for construction of a reactor for a nuclear-propelled cargo ship. This request was submitted with no advance notice after hearings had been started by the subcommittee on the original group of construction items.

Testimony received from the best technical authorities on the subject furnished the committee with convincing proof that the proposed propulsion system for the cargo ship—which utilizes a reactor of the type installed in the submarine *Nautilus*—is not the most efficient or desirable for accomplishing this very worthwhile purpose.

The testimony which convinced the joint committee on this point was to the effect that construction of this reactor, which is a copy of one already built, will not advance the art of reactor development one iota and will divert technicians and production facilities from more urgent and worthwhile work. At the same time, it would be an uneconomical use of valuable nuclear fuel.

After a full review of the matter, it was the concensus of the joint committee that better means were available to accomplish the same end. For this reason, the committee voted to eliminate this item.

Agreeing that this construction of an economically justifiable, atomically propelled cargo ship was desirable, the committee urges the Commission and the executive department to accelerate an already active program which was initiated months ago to develop a new and more efficient reactor powerplant for a large surface ship. This development envisions the use of multiple reactors, components of which would be suitable for installation in a cargo-type ship. The committee has been assured that this is feasible and that the amount of time which would be lost in awaiting the final testing of such a powerplant would be nominal, and that a more economical and much more highly developed propulsion system would be available for merchant ship use if this course is followed.

I, therefore, want to make it abundantly clear that a majority of the committee is not opposed to the basic idea of building an economically sound, nuclear-propelled merchant ship. It believes that in emphasizing the program identified as item 56–b–3 in section 101 this country can produce a really economic and convincing example of America's advance position in the peacetime application of atomic energy.

To assist the executive department in its program to demonstrate the American desire to exploit the atom for the benefit of mankind, the committee added an item identified as project 56–g–7 in section 101 of the bill. This item seeks authorization for an appropriation of $5 million to be expended in furtherance of the President's recently announced plan to provide scientific- and medical-type reactors to those nations which are willing to enter into bilateral agreements for cooperation. This amount of money would provide about 20 swimming-pool type reactors to recipient countries who will agree to finance half the cost thereof. By unanimous vote, the committee is happy to cooperate wholeheartedly in assisting the carrying out of this desirable program. This is the only item in the bill that has not been officially approved by the Budget Bureau.

Section 103 of this bill authorized the Commission to make use of funds available to it for advance planning for new buildings and projects. The committee feels that the Commission should have this authority so that it can make necessary plans to replace plants and equipment which become obsolete quite rapidly in the fast-moving business of atomic energy, and also to be prepared to put into production new materials and weapon designs as rapidly as they may be needed. This authority would permit the Commission to obtain the necessary architect and engineering services to prepare preliminary plans from which accurate cost estimates can be made. It would also save the Commission much time in getting construction underway on a competitive-bid basis if such projects were subsequently authorized, and will lead to closer estimates of final cost.

Section 104 of this bill provides the Commission with authority to utilize any money available to it to initiate replacement of or repair to any of its plants or equipment which might become damaged or completely destroyed in the event of a catastrophe.

Section 105 of the bill authorizes the appropriation of such funds as may be currently available to the Commission for the purposes of carrying out this act. It will be noted that this authority is in addition to that which is sought under section 101 of this bill. The purpose of this section is to permit the Commission to utilize money which it might have available as a result of economies in the construction of authorized projects.

Section 106 provides for the transfer of money authorized by this bill for a given project to another project provided that the substitution meets very precisely defined conditions and that the Commission will certify that such a substitution is essential to the common defense and security of the United States. Under this section the project substituted must not exceed the cost of the authorized project for which it is being substituted. Further, the substitution must be brought about by changes in weapon characteristics or logistic operations. Finally, the Atomic Energy Commission must certify that it is unable to enter into a contract with any person, on terms satisfactory to the Commission, to furnish from a privately owned plant or facility the product or services to be provided by the new project.

The joint committee recognizes that in the rapidly developing technology of atomic energy, particularly in the military applications thereof, the Commission needs some flexibility. It is for this purpose and after full consideration that the joint committee decided to recommend this flexibility so that the Commission will be enabled at all times to meet its program goals, and at the same time afford a closer control to the Congress on the initiation or modification of construction, acquisition or expansion of plants and facilities.

I therefore earnestly urge the passage of this bill so that the necessary request for authorization can be made by the Atomic Energy Commission, and it may then go forward without any delay with its important programs.

Mr. JOHNSON of Texas. Mr. President, on behalf of the distinguished minority leader and myself, I send to the desk a unanimous-consent agreement, which has been cleared with the distinguished chairman of the Joint Committee on Atomic Energy and with the ranking minority member. I ask that the proposed agreement be read.

The PRESIDING OFFICER. The Secretary will read the unanimous-consent agreement.

The Chief Clerk read as follows:

Ordered, That, during the further consideration of the bill H. R. 6795, to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*,

That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection?

Mr. HICKENLOOPER. Mr. President, I should like to address a question to the majority leader. I have an amendment, which I intend to offer. I would not be precluded from offering it by the unanimous-consent agreement, would I?

Mr. JOHNSON of Texas. Oh, no.

The PRESIDING OFFICER. The unanimous-consent agreement does not preclude the offering of amendments.

Is there objection to the unanimous-consent agreement? The Chair hears none, and the order is entered.

Mr. ANDERSON. Mr. President, I have an amendment at the desk which might be stated at this time.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico will be stated.

The CHIEF CLERK. On page 3, line 11, after the comma following the word "Tennessee", it is proposed to strike out "$750,000" and to insert in lieu thereof "$2,200,000."

On page 1, line 4, after the words "the sum of", strike out "$267,709,000" and insert in lieu thereof "$269,159,000."

The PRESIDING OFFICER. If there is no objection, the amendments will be considered en bloc.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. As I understand, under the unanimous-consent agreement the proposer of an amendment has 30 minutes, the time to be controlled by the mover of the amendment and the majority leader.

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. I am in favor of the amendment, so the distinguished minority leader will control the time against the amendment. I have told the distinguished Senator from Delaware [Mr. WILLIAMS] that I would yield him 10 minutes, and would yield 1 minute to the Senator from Maryland [Mr. BUTLER].

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Maryland.

ATTEMPTS TO SCUTTLE THE AMERICAN MERCHANT MARINE

Mr. BUTLER. Mr. President, even a policy of moderate internationalism, while hopefully intending to fortify the community of free nations, can at the same time unwittingly erode some of the most sensitive foundations of our industrial and economic structure. This unfortunate condition was brought sharply into focus last week when a two-forked attack was directed at legislation which would reserve for American shipping at least 50 percent of all Government-purchased or Government-financed cargoes.

Today, in the House, the recommendation of the House Foreign Affairs Committee to eliminate this vital provision is being debated, and I therefore ask unanimous consent, Mr. President, to include in the body of the RECORD a statement which I made to the press on Saturday, June 25, 1955.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

If the House of Representatives wants to scuttle the American merchant marine, it could not have devised a more destructive time bomb than to abolish the 50–50 cargo preference.

Congress has decreed that the protection as guaranteed by this provision was essential to preserve our merchant marine in a healthy state in order that it might survive unfair and cheap-labor foreign competition. Now the House Foreign Affairs Committee, in reporting out the Mutual Security Act of 1955, proposes to remove this fundamental security. If this action is endorsed by the Congress, it will be a body blow to American shipping.

As coauthor of the 50–50 cargo-preference legislation, known as the Butler-Tollefson bill, enacted by the Congress last year for the purpose of preserving the American flag on the high seas, I fear that the American merchant marine is being placed on the sacrificial block in our haste to dispense our surplus agricultural commodities and benevolence abroad. This latest development assumes greater incredibility when it is recalled that the Department of Agriculture, in May of 1954, specifically stated that it had no interest in the Butler-Tollefson measure.

Now, 13 months later, it is alleged that dispatching of surplus commodities, from the vast storage accumulated at great expense to the American taxpayers, has slackened through the unavailability of United States vessels. This is an assertion which in my considered judgment is open to grave question. Within the past 6 months, following extensive hearings conducted by the House Merchant Marine and Fisheries Committee, at which all interests were represented, it was concluded that the 50–50 provision did not, in any way, deter the effective disposal of surplus commodities. Furthermore, the Maritime Administration accepted the function of notifying other governmental agencies as to any fluctuations in the availability of American bottoms with the view that foreign vessels could be utilized in the event of shortages.

It is unfortunate, at best, that the House Foreign Affairs Committee, did not give weight and credence to these earlier detailed and objective considerations of a matter so basic to the maritime and shipping industries of our country. Regardless of their motives or intentions in recommending the removal of the 50–50 reservation for American-flag shipping, one can only assume that the members of the committee did not realize the real significance and magnitude of the problem.

Were this recommendation to be sustained by the Congress, American shipping would suffer another 25-percent loss in cargoes. Contrasted with the fact that our own ships now carry a meager 29 percent of our own cargoes, further privation could only be alarmingly disastrous. Also, it cannot be argued that American shipping would be denied only infinitesimal tonnages through the elimination of the 50–50 shipping clause, from the $3.4 billion mutual aid bill or, if passed, about 75 percent of all foreign aid and agricultural commodity shipments would be transported in foreign ships.

Maryland, and particularly Baltimore, is vitally affected in this matter. We have an important port in Baltimore, and we have large shipping activities which will most assuredly suffer from unfair competition from foreign shipping subsidized by American assistance funds. It is indeed ironical that United States funds are granted to build foreign shipping to compete unfairly with American shipping, and then to add insult to injury every reasonable protection devised to cushion our own industry against such United States financed competition is removed.

Congress must defeat this disgraceful plan to scrap the 50–50 provision. Realistic judgment, rather than ill-conceived expediency, must prevail. If not, full responsibility for scuttling the American Merchant Marine must be assumed by those in Congress and elsewhere who seem bent on the destruction of our fourth arm of defense and an essential segment of our peacetime national economy.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Delaware [Mr. WILLIAMS].

LOOPHOLES IN RETIREMENT LAWS

Mr. WILLIAMS. Mr. President, on previous occasions the Senator from Kansas [Mr. SCHOEPPEL], and I have called to the attention of the Senate certain loopholes in our retirement laws. Today, on behalf of the Senator from Kansas [Mr. SCHOEPPEL], and myself, I am reporting on four other cases wherein the individuals involved found a way to beat the Government retirement systems.

Contrary to what many people think, all Government employees are not under the same retirement system; in fact, the Government has over 20 different systems with various formulas under which Government employees can qualify. For a long time I have been advocating their consolidation.

In enacting Public Law 730, 84th Congress, Congress did partially correct these loopholes; however, loopholes such as I am calling attention to in these four cases today will never be effectively corrected until such consolidation has been arranged along with the adoption of a formula wherein employees will be given credit only for that period of Government service during which they made contributions according to the standard formula provided in the law.

The four cases are as follows:

CASE NO. 1

The individual's employment record prior to the manipulation is:

February 21, 1917, to September 24, 1919, Agriculture Extension Service.

February 1, 1922 to June 30, 1941, Agriculture Extension Service.

July 1, 1941, to December 22, 1950, Tennessee Valley Authority.

Had he retired at this point he would have been eligible for annual retirement benefits in the amount of $1,400.20 per year. However, he had a friend in the appropriate place, and instead of retiring with this annuity of $1,400.20 as most other employees would expect to do, he began certain maneuvers.

First, he withdrew from the Tennessee Valley Authority retirement system all his contributions in the amount of $5,632.41 plus interest of $501.68, or a total refund of $6,134.09.

Ten days later, on January 1, 1951, he was given a new appointment as Acting District Agent of the Extension Service, whereby he automatically became eligible to register under the regular civil-service-retirement system.

He held this position just 3 months, or until March 31, 1951, during which time he contributed into the civil-service-retirement fund a total of $64.04.

He then on April 1, 1951, retired under the civil-service retirement system claiming credit for all previous Government service, but the law did not require any restoration of the $6,134.09 previously withdrawn as contributions for his past service. His retirement benefits at this time, however, instead of being $1,400.20, were $3,612 per year.

Summarizing this case, the man withdrew from one Government retirement system $6,134.09, paid $64.04 into another, and hiked his retirement credits from $1,400.20 to $3,612, all with 3 months of maneuvering. This represents a 250 percent increase in his retirement benefits and a windfall of over $6,100.

CASE NO. 2

The early employment record of the second individual is:

September 17, 1891, to November 24, 1903, Post Office Department.

September 6, 1918, to February 23, 1919, Department of Labor.

September 26, 1923, to May 31, 1925, Department of Justice.

He was not under any retirement system and made no contributions to any retirement system during any of this service.

On August 1, 1953, then being at the age of 85, he was appointed as a staff member of a congressional committee at a salary of $619.83 per month, which position he held for exactly 1 month, retiring on August 31, 1953.

During this 1-month employment period he registered under civil service retirement and made a contribution of $37.19.

After this 1-month's employment he retired, claiming credit for all previous Government service but not making any back contributions, and as a result he was awarded an annual annuity of $720 a year.

CASE NO. 3

The early employment record of this individual is as follows:

October 1, 1900, to February 28, 1913, letter carrier, Post Office Department.

During this period he was under no retirement system since the Civil Service Retirement Act was not enacted until May 22, 1920.

January 3, 1939, to January 2, 1949, Member of Congress.

While serving as a Member of Congress he came under the congressional retirement system, and being of retirement age when his service ended on January 2, 1949, he filed for retirement benefits effective February 1, 1949, being eligible at that time to draw an annuity of $2,625, based solely upon his 10 years of service as a Member of Congress.

However, he was not satisfied with this, and in the meantime, on January 3, 1949, the day following his termination as a Member of Congress, he was appointed as a clerk to another Member of Congress at a salary of $2,189 per year, which position he held for exactly 28 days, during which time he elected to come under the regular civil service retirement system. His total contribution from his 1 month's salary to the civil service retirement fund was $10.22.

The sole purpose of this 28-day employment as a clerk to a Member of Congress was to qualify him under the regular civil service retirement fund, thereby making it possible for him to retroactively claim credit for his previous Government service other than as a Member of Congress, even though contributions had not been made to cover that period.

Effective February 1, 1949, he resigned from this latter position and filed for additional retirement credits under the civil service retirement system, claiming credit for his previous 12 years and 5 months as a letter carrier as well as for the 28 days as a clerk to the Member of Congress, whereupon he was awarded a second annuity in the amount of $444 per year. This $444 was in addition to the $2,625 he would draw from the congressional retirement system.

Thus, in this instance we find that this former Member of Congress, with a contribution of only $10.22, boosted his annual retirement annuity by $444.

CASE NO. 4

The early employment record of the fourth individual is as follows:

February 2, 1914, to June 30, 1917, Extension Service.

June 1, 1928, to September 7, 1933, Extension Service.

September 1, 1933, to May 15, 1952, TVA.

May 15, 1952, position abolished.

May 15, 1952, to May 15, 1953, served with TVA under a personal service contract.

May 15, 1953, resigned.

On that date—May 15, 1953—by leaving all his contributions in the fund he would have been eligible for retirement benefits under the Tennessee Valley Authority retirement system in the amount of $3,150.52.

Instead of retiring under that system, however, he too decided to do a little manipulating. First, he elected to withdraw all his contributions to the previous retirement systems and thereby received a check in the amount of $12,701.72, plus the accumulated interest of $2,132.88, making a total refund of $14,834.60.

Thirty days later, on June 15, 1953, he received a special appointment to the Extension Service, which position he held until October 1953, during which time he filed under the civil service retirement system, making a contribution of $136 from his salary.

He then made a deposit with the civil service retirement system of an additional $11,505 representing partial payments for prior Government service.

At the end of October 1953, he again resigned and retired at an annual annuity of $3,948 plus a survivorship annuity of $2,148 for his wife.

Thus we have this situation: This employee withdrew from one Government retirement fund a total of $14,834.60, then paid into another Government retirement system a total of $11,641, leaving him a cash windfall of $3,193.60, and by so doing increased his personal retirement benefits from $3,150.52 to $3,948 and gained in addition a survivorship annuity for his wife in the amount of $2,148.

In calling these four cases to the attention of the Senate it should be pointed out that these manipulations on the part of these Government employees, whereby they collected substantial refunds and at the same time pyramided their retirement credits, could not have been possible without the full knowledge and cooperation of the top officials of the agencies, congressional committees, and Members of Congress involved.

Again the Senator from Kansas [Mr. SCHOEPPEL] and I appeal to the Senate Post Office and Civil Service Committee and to the Civil Service Commission to join in recommending the necessary legislation to effectively close these loopholes.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 666. An act to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia;

S. 1582. An act to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes;

S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum;

H. R. 968. An act for the relief of Max Kozlowski;

H. R. 3005. An act to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals and by extending the authority to require the special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes; and

H. R. 4549. An act for the relief of John J. Braund.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 28, 1955, he presented to the President of the United States the following enrolled bills:

S. 666. An act to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia;

S. 1582. An act to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes; and

S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged to the time allotted to me on the amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. I am prepared to yield back the time controlled by me in opposition to the amendment, because I am not opposed to the amendment.

Mr. ANDERSON. Mr. President, I merely wish to make a short statement relative to the amendment, which pertains to an addition to the Oak Ridge, Tenn., barrier plant.

I have discussed the amendment with the distinguished senior Senator from Iowa and other members of the committee. We are all in agreement that the increase is justifiable.

The amendment has been requested by the Atomic Energy Commission, and is justified by extensive tests recently completed after the committee's hearings, which show that this expenditure will result in substantial increases in the output of U–235, as well as in important increases in plant efficiency.

The original item of $750,000 for this purpose was presented to the committee at a time when test results were not final. The AEC thought then that improvements might be made to the plant by a different but more complicated device requiring a longer time to produce and install.

Fortunately, the device now decided upon lends itself to rapid production and installation in the Oak Ridge production facilities, so that the increased production of U–235 can begin to be realized by the end of this year if the amendment shall be accepted, and the necessary increased funds made available to the Commission.

I need not remind the Senate of the vital part U–235 plays in our national defense program, as well as its essentiality as a nuclear reactor fuel. Every extra kilogram we can produce is immediately reflected in an increase in our military posture and also in our ability to expand the peacetime uses of atomic energy.

Based upon detailed classified information supplied the joint committee, I can state that this increased expenditure is a good investment. It will pay large dividends in increased production of U–235 all out of proportion to the cost thereof.

I urge, therefore, that the amendment be adopted.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the senior Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, there is no disagreement, so far as I know, over the amendment offered by the junior Senator from New Mexico. I think the committee is united in its position that the amendment is worthwhile, and should be adopted. It will result in increased Uranium–235 production.

The actual processes and equipment to be fabricated and installed with funds authorized to be appropriated by the amendment are highly classified and cannot be discussed on the floor of the Senate. I can assure the Senate, however, that the competent technical personnel of the Atomic Energy Commission have informed the committee that the new developments are highly desirable and technically sound.

I support the amendment and urge its adoption.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time on the amendment.

Mr. ANDERSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing en bloc to the amendments offered by the junior Senator from New Mexico [Mr. ANDERSON].

The amendments were agreed to.

Mr. HICKENLOOPER. Mr. President, I call up my amendment, which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the senior Senator from Iowa will be stated.

The LEGISLATIVE CLERK. On page 2, after line 20, it is proposed to insert the following new subsection:

11. Project 56–b–11, design, construction, and installation of a reactor facility and auxiliary facilities and equipment to provide power for a merchant ship, $21,000,000.

On page 1, line 4, it is proposed to strike out "$269,159,000" and insert in lieu thereof "$290,159,000."

Mr. KNOWLAND. Mr. President, will the Senator from Iowa yield to permit me to ask that the yeas and nays be ordered, so that all Senators will be on notice with respect to the amendment?

Mr. HICKENLOOPER. I yield.

Mr. KNOWLAND. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that, without the Senator from Iowa losing his right to the floor, there may be a quorum call, the time for the quorum call to be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without the time for the quorum call being charged to either side, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. JOHNSON of Texas. Mr. President, reserving the right to object, I should like to ask the minority leader if my understanding is correct. The pending amendment is the Hickenlooper amendment, on which the yeas and nays have been ordered, and 30 minutes are allowed to each side on the amendment. Therefore, 1 hour from now, if all the time is used, there will be a yea-and-nay vote on the Hickenlooper amendment. Is that correct?

Mr. KNOWLAND. The Senator is correct. It is possible that some time may be yielded back, so that a vote may come sooner than that.

Mr. HICKENLOOPER. Mr. President——

The PRESIDING OFFICER. Just a moment, please. The Senator from Texas reserved the right to object to the rescinding of the order for a quorum call.

Mr. ANDERSON. Mr. President, the Senator from Texas is willing to withdraw his objection.

The PRESIDING OFFICER. Without objection, the order for the quorum call is rescinded.

The Senator from Iowa is recognized.

Mr. HICKENLOOPER. Mr. President, I yield myself such time as I may need within the 30 minutes available. It will probably be 10 minutes, but I cannot be certain.

Mr. President, I understand the amendment as read at the desk is technically two amendments. One is the amendment proposing the authorization of $21 million for the design, construction, and installation of a reactor facility and the auxiliary facilities and equipment to provide power for a merchant ship.

The second part, which I originally assumed was a part of the same amendment, must be considered as a different amendment. All it does is to increase the amount of the total authorization by $21 million, if the first part of the amendment is adopted. It will be necessary, if the first part of the amendment is adopted, to ask unanimous consent that the second part of the amendment be adopted as a conforming amendment.

Mr. KNOWLAND. Mr. President, might not the procedure be better if unanimous consent were obtained to have the amendments considered en bloc, and let them rise or fall together?

Mr. HICKENLOOPER. It is satisfactory to me to have them considered en bloc, so that they may rise or fall together, but I had understood the proper procedure to be to have them considered separately.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the amendments of the Senator from Iowa be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HICKENLOOPER. Mr. President, on April 25, 1955, the President announced that the Atomic Energy Commission and the Maritime Administration were developing specifications for the construction of a nuclear-powered merchant ship. He said he would shortly thereafter submit a request to the Congress for the necessary authorization of

funds to carry out the project. The request has been submitted.

I shall not take very much time, Mr. President, for I think all Members understand what the amendment proposes to do. The Joint Committee on Atomic Energy considered the request for the authorization of an appropriation of $21 million for the construction of an atomic powerplant to be installed in a merchant-ship-type hull. That amount does not include the cost of the hull.

I understand that in the House of Representatives, Representative PATTERSON has introduced a bill providing, among other things, for the construction of at least 1 hull of this type, and authorizing an appropriation in the amount of $12,500,000.

Mr. President, at the very outset I wish to say that the atomic powerplant which is proposed to be installed in this merchant-ship hull will cost more to operate than will a conventional powerplant, and will cost more to build than will a conventional powerplant.

Stated simply, this proposal, if carried out, will mean that the United States has launched upon perhaps one of the most important and one of the most far-reaching programs in which we have ever engaged, in attempting to convince the world that the atom can be used and will be used by the United States for peaceful purposes.

Granted that $21 million for the powerplant is much more than the cost of a conventional powerplant in a ship, and granted that it will cost more per hour or per day to operate an atomic powerplant in a merchant ship; but it will be designed to show the people of the world that the United States is preeminent in the peaceful use of atomic energy, and is therefore proposing to use a powerplant which although it will cost more than the ordinary powerplant, will demonstrate that there is a practical use for atomic energy—a use which they can see and can observe in action. It is entirely conceivable that we can use many other means of showing this to the people of the world.

This ship will be a cargo ship, and it will have utility; for it can carry American products to foreign ports; or, if that is desired, it can be used—and I refer now to the ship's atomic-energy powerplant—to generate electricity in foreign ports. When the ship enters a foreign port, those in charge of the ship can be instructed to disconnect the atomic powerplant, and to hook it up with the electric powerplant of the city or port, and then light at least certain portions of the city, thus showing the people living there that the United States is pioneering in and is the leader in the peaceful use of atomic energy.

As a propaganda weapon for good and to demonstrate the peaceful intentions of the United States and our determination to aid the rest of the world in this great, new field, I think this ship will be invaluable.

Mr. PASTORE. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield.

Mr. PASTORE. Is the distinguished Senator from Iowa quite sure that there will be an electric generating plant aboard the ship?

Mr. HICKENLOOPER. I am not sure. Our committee has advocated that, but that is a matter about which a decision will have to be made. I hope the ship will be provided with an electric drive, and that it will have electric generating facilities. But that decision will have to be made in the executive branch of the Government, and I think at this moment it is not to be made in the legislative field.

Mr. President, objection may be made because of the cost differential, that is, the cost of operating the ship as compared to a conventional-type ship, and also the cost of building it, although the cost of constructing it is fairly well known.

Today, we have in the ocean a completely operatable atomic-powered submarine. It is operating with far greater efficiency than we had hoped. It is operating much more successfully—I was about to say much more successfully than we had imagined in our fondest dreams. I shall not say that; but it is operating far more successfully than one would have believed possible, judging from the practical predictions of several years ago. The powerplant of that submarine is a fantastic one, and it can do things that no powerplant ever before developed in the world could do.

Mr. President, I cannot overemphasize the fact that I am not attempting to convince the Senate that the ship will be the most efficient one. But from the standpoint of carrying the message of this pioneering activity on our part in connection with the peacetime use of atomic energy, the ship will afford a dramatic demonstration

If this authorization bill is passed today by the Senate, and if the required appropriations are forthcoming, I think we shall be first in the field with an atomic-powered ship, and will be the first to provide a peacetime demonstration of a practical nature that the maritime nations of the world can understand and can see and can really appreciate.

So I think this matter is very important.

There is one more facet of this matter to which I desire to refer. The President of the United States, in his drive for accentuation of the peacetime use of the atom, has said to the other countries of the world—he did so in April, and he has repeated it—that the United States is going to build such a powerplant to be placed in a ship, to demonstrate what such a powerplant will do and what its possibilities will be. The President has said that one of our ships, having such an atomic powerplant, will be on the high seas.

Mr. President, if one considers the difference between the cost of a ship powered with such an atomic powerplant and the cost of a ship having a conventional powerplant, I think it will be found that the difference will be but a small expense, indeed, in comparison with the long-range good it will do for us, and the proof it will give of our good will in connection with the peacetime use of the atom, and the understanding it will carry to the various countries of the world.

I could talk for a long time about the details of the ship, but I do not believe that is necessary. The question is just this simple: Do we wish to take this step at this time, in supporting the statement the President of the United States has made to the world? If we do not, I fear there are countries which will say, "Well, our propaganda is right. After all, the Americans cannot run a ship with atomic power."

Mr. President, we know that the Russians have said that. They have said that we do not have an atomic-powered submarine, and that any statements to the effect that we do have such a submarine are false American propaganda.

So, Mr. President, if Congress refuses to permit this practical demonstration to be made—a demonstration by means of a ship which we can send into every deep-water harbor of the world—I wish to point out that there are possibilities of adverse propaganda value to those who would like to destroy our preeminence or to destroy the idea of our preeminence in the field of atomic energy.

So, Mr. President, the question before the Senate is just that simple. At the moment the details are not so important. They are technical details, which will have to be worked out by the Commission and by those who know how to construct ships and who know what they wish to have placed in the ships.

But the question now before the Senate is one of putting upon the ocean a peacetime ship which other countries will be able to see—and a ship which will prove our peacetime efforts.

Mr. SALTONSTALL. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. Yes, although we are proceeding on limited time, and other Senators wish to make brief statements. However, I yield.

Mr. SALTONSTALL. Although I agree with the Senator from Iowa in his statement about the principal reason for putting such a vessel on the high seas, I desire to point out that I in part represent a State which is tremendously interested in and active in ship construction. I understand that the ship will be between 10,000 and 12,000 gross tons. Is that correct?

Mr. HICKENLOOPER. Its tonnage will be in that neighborhood, I believe.

Mr. SALTONSTALL. Although the nuclear powerplant to be used in the ship may not be so efficient as one which ultimately will be worked out, for use in commercial vessels, yet it will be a useful nuclear powerplant, and, if installed in this ship, may be adapted to some other ship at a future time; is that correct?

Mr. HICKENLOOPER. It will be an efficient powerplant, and the ship will have commercial utility—perhaps not as great commercial utility as other ships, but it will have utility.

Mr. SALTONSTALL. It will have utility in that it can be a cargo-carrying ship as it goes around the world.

Mr. HICKENLOOPER. That is correct. It will demonstrate the practical ability of nuclear-powered ships to carry cargo in commerce in the peacetime activities of the world.

Mr. SALTONSTALL. I am a member of the committee. We build prototype ships of various types. We build prototype tankers. We have authorized one, and have appropriated for it. We build prototype ships in various fields. This will be a prototype ship, and while perhaps it may be half again as expensive as a conventional commercial type ship, it will be a prototype ship, which will help us in the future in connection with the design of nuclear-powered vessels.

Mr. HICKENLOOPER. The Senator is correct. I think the cost of the hull will be comparable with the cost of any other hull. The increased cost will be in the powerplant which goes into the ship, as compared with the conventional powerplant.

Mr. SALTONSTALL. So while the principal purpose is the purpose which the Senator has so ably described, the ship will not be a total loss by any means. The nuclear powerplant will not be a total loss. The ship will be a prototype, and will provide a demonstration to the Bethlehem Steel Co., the New York Shipbuilding Co., and the Navy plants as to how to build this type of ship.

Mr. HICKENLOOPER. The Senator is correct.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I must yield to the Senator from Vermont [Mr. AIKEN] who wishes about 5 minutes. I yield for a question.

Mr. BUTLER. I suggest to the Senator that the great port of Baltimore, in my State of Maryland, which produced the famous frigate *Constellation,* the famous Baltimore clippers which in their day were known throughout the world for their speed and design and which has since built many of our present merchant fleet has the know-how and facilities to build an atomic merchant ship and would like to be favorably considered if this ship becomes a reality.

Mr. DWORSHAK. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. DWORSHAK. Item No. 3, on page 2, line 6, of the bill, reads as follows:

3. Project 56–b–3, surface ship reactor facility, $25 million.

Is that project related directly to the proposal being considered at this time, or is it something else?

Mr. HICKENLOOPER. I shall have to inquire as to how much I can say about that particular item. It has nothing to do with the cargo commercial type of ship. It is primarily designed as a prototype development for a large carrier for military purposes.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield for a question. My time is limited.

Mr. GORE. Does not the distinguished Senator think it would be a more readily available, a more economical, and a more practical demonstration of atomic propulsion if the *Nautilus* were to make a trip across the Atlantic, which it could do, as the Senator knows, entirely under atomic power?

Mr. HICKENLOOPER. The Senator has a very good suggestion, which I think is not amiss. The *Nautilus* is going to make such demonstrations. However, from the psychological standpoint, the *Nautilus* is not a cargo-carrying ship. It is not a commercial ship. It is a war vessel. We are attempting to build this ship as a ship of peace. There are those—and I agree with them—who say that to use a warship as a demonstration of atomic power might carry the wrong psychology with it. It is considered that we had better have a ship of peace, which has utility, rather than a ship of war.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. SALTONSTALL. Is it not also true that if a commercial ship such as the Senator is advocating goes into a port, a great many hundreds of people can go aboard and look at it, which would be helpful from the point of view of the United States. People cannot conveniently go aboard a submarine in large numbers.

Mr. HICKENLOOPER. I think there is a great deal to that suggestion. It is impracticable for a large number of people to go aboard a submarine and examine it. However, they can go aboard a cargo ship by the thousands. For demonstration purposes, the cargo ship would be the better.

Mr. ANDERSON. Mr. President, I yield myself 12 minutes.

I must oppose this amendment, because I think this is a poor way to spend $21 million.

The question arose a moment ago as to whether or not the nuclear plant could be taken out of this ship and used in another ship. Of course it could not. This is the highest cost powerplant we could have. It is fine for a submarine. It uses enriched fuel. We would not attempt to operate a commercial vessel by the use of such fuel. It has been proposed that the atomic plant which is in the *Nautilus* be placed in a commercial ship. That is an entirely different field. That is primarily the reason why the joint committee was not attracted to this proposal.

The joint committee heard all the arguments and weighed them very seriously, and reached the firm conclusion that it could not be a party to this project. Not a single witness, from either the Atomic Energy Commission or the Maritime Commission, contended that the proposed ship would be economical. Its capital cost would be five times that of a comparable conventional-type ship. The estimate of operating costs runs as high as 10 times the cost of an equivalent conventional ship.

How does it help us to show how far away we are from the use of nuclear power? Only a few days ago one of the newspapers carried a story headed "Atomic Ships Put 15 to 20 Years Away." If we do not start development of these atomic ships on a proper basis, if we start using high-cost fuel, which makes it still further away, then I think we shall be doing a great disservice to the shipbuilding industry to which the Senator from Massachusetts [Mr. SALTONSTALL] referred.

Is this ship a step along the road of technical development toward a truly economical merchant ship? The answer from witness after witness was "no." It might yield some engineering experience, but even in that field it was agreed that the same experience can be acquired cheaper, better, and even faster, by other means.

Would this ship be a contribution to the development of better atomic powerplants for ships and other uses? Far from it. In fact, it was argued quite the contrary. Not only would this ship make no contribution, but it was argued that it would be possible to build it on the President's proposed 2-year time schedule only because it would involve no development work. It would consist of carbon copies of the *Nautilus* submarine reactor, which we have already been told is obsolete by comparison with reactors nearing design completion. We learned a great deal in building the *Nautilus.* We should be using that knowledge.

What, then, are the merits of the proposed ship? Would it be good propaganda? Would it convince anyone of our peaceful atomic intentions? I think not. This ship is supposed to sail into foreign ports as a smokestackless wonder, convincing all who see her that we are using atomic energy for peaceful purposes.

I wish I could say that such an atomic-powered ship is indeed now practical and ready for construction. I cannot say it, because it is not so. That is why there is in the bill, on page 2, line 6, project No. 3—

3. Project 56–b–3, surface ship reactor facility, $25,000,000.

That item is in the bill so that the United States can have practical, economical, atomic-powered surface ships for peaceful and military purposes as soon as possible. As I have said, that item is already in the bill; but this floating museum is completely unrelated to it.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. PASTORE. Would it be good propaganda for the Senator to buy a brandnew Cadillac and go around showing it off to all his poor relatives?

Mr. ANDERSON. I do not think it would be very good. That is why I do not think this ship would be very good.

The average country cannot afford to put $21 million into a type of nuclear plant which we now recognize is already obsolete. Admiral Rickover says it is obsolete. The *Sea Wolf* is a far different pattern; and the fleet submarines to follow will be a great improvement over existing ships. Why repeat the mistakes we have already made?

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JACKSON. Is it not true that in this situation what we are really doing is telling the world, "Look what we have, and look what you do not have"? What are we doing in this proposal to share

the peaceful atom with the other free peoples of the world?

Mr. ANDERSON. I do not think we are doing anything along that line.

I realize that the purpose is desirable. We need to demonstrate to the world that we have made a contribution. I would far rather accept the proposal made by the Senator from Tennessee [Mr. GORE] a moment ago for sending the *Nautilus* across the ocean. I, for one, would be happy to see the submarine *Nautilus* cross the ocean and come up on the other side, so that the people might know what we have accomplished. That would be a very fine thing.

However, taking that powerplant, designed for a submarine, designed to operate on enriched fuel, constituting the costliest type of powerplant, and putting it into an old vessel and then sending it across the ocean into foreign ports, I do not believe would make much of an impression on foreign people.

I am persuaded that there are other countries which might want to do something along that line. However, to build a new type of ship of this kind will take some hardheaded business experience. I do not believe any country will build that kind of ship on an outmoded pattern. The *Nautilus* was outmoded on the day it was launched, thanks to the genius of the men who kept working toward new ideas.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. SALTONSTALL. I have listened with a great deal of interest to the Senator from New Mexico. He has spoken entirely, as I see it, from the economic side, namely, the cost of building a commercial ship, and he has referred to the fact that the nuclear powerplant is not efficient under the most modern conditions.

My question is this: Has the Senator not forgotten the psychological factor that would be involved in this type of commercial ship going among peoples who are under great strain, and who have a deep sense of insecurity, and showing them that we are building atomic vessels for peace, not merely for war?

Let us assume that we spend $21 million for such a vessel—and the Senator from New Mexico and I have the same feeling about wasting money—that is only a drop in the bucket. Is there not a psychological factor and a factor of faith and optimism involved here?

Mr. ANDERSON. It is about as much of a psychological factor as there would be if we were to take a modern automobile and put into it the powerplant of a Stanley Steamer and then say, "We will take this automobile to Europe to show how our automobile industry has advanced." No man who is interested in the designing of surface ships would even contend that this should be done. He knows that it will not be done.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. PASTORE. Is it not a fact that recently before the President made his speech, with reference to sharing one-half the cost of medical research reactors to be built and sold under some of the bilateral agreements which have been negotiated between the State Department and foreign governments, the members of the joint committee were unofficially canvassed, and they were unanimous that psychologically that was something which should be done, but that in the case of the merchant ship the same members felt it was a waste of money?

Mr. ANDERSON. That is exactly correct. When the proposal for the medical reactors came before the joint committee, the President had not even sent up his request for an appropriation for it, and we wrote it into the bill quickly, because we thought it was a fine thing to put $5 million in the bill for it, and we felt that if he needs more money for it he will have no difficulty getting it.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JACKSON. The distinguished senior Senator from Massachusetts has made a good point with reference to the need for making the proper impression throughout the world of our interest in the peaceful atom. I should like to ask this question of the Senate. Would the Senate rather appropriate $35 million for a merchant ship, about which we can brag to the world, or would the Senate rather make available medical reactors of the type that we are going to build at Brookhaven, which will cost $765,000 each? We can make 40 of them available to the free world in the fight against cancer.

I ask the Senator which would be more effective, to appropriate $35 million, for which we could build a fine atomic museum to boost our atomic ego and tell the world just what the Communists accuse us of, namely, that we are the "haves" and they are the "have nots," or, on the other hand, take some of that money and build 40 medical reactors to make them available to the less fortunate areas of the world? I do not know how we could better dramatize the peaceful atom for the good of mankind.

Mr. ANDERSON. That is what I am trying to suggest, namely, a better way to spend the money.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. CAPEHART. A great deal has been said about telling the world, "We have something you don't have." Is that not the purpose of the Voice of America and of the technical-assistance programs and of the other programs?

Mr. JACKSON. Would the Senator have us monopolize the use of the peaceful atom?

Mr. CAPEHART. That argument does not make much impression on me.

Mr. JACKSON. Does the Senator feel that we ought to brag to the world that we have a monopoly of the peaceful atom? The President's program calls for sharing the atom. This would not share it. This would display and monopolize it.

Mr. CAPEHART. The Senators are making the argument that we should go forth and brag to the world that we have something that other people do not have. We have spent literally hundreds of millions of dollars for motion pictures and all sorts of things, to show the world that they ought to follow our pattern and our type of Government and that they should raise their standards of living and do the things we are doing. I am amazed that Senators on the other side of the aisle should make that argument. It does not make sense to me.

Mr. ANDERSON. When the Senator from Indiana was making a certain type of product, I am sure he did not use crystal sets in the construction of his radios. If he had, he would not have sold any of his radio sets. We do not want to take a type of powerplant which is designed for a submarine and put it in a merchant ship, where it could not possibly be a success, and then take the merchant ship around the world to show the people of the world how wonderful we are. That would not be a very smart thing to do.

Mr. CAPEHART. If industry had followed the argument of the Senators on the other side of the aisle, we would never have built any automobiles or radios or television sets, or any other modern products, because there never was a time when such products were put on the market that they were not already obsolete in the laboratory and in the engineering offices.

Mr. ANDERSON. The point we are trying to make is that we should show the people of other countries something that is practicable. This kind of ship could not possibly be practicable. On the other hand we have other devices which we can send throughout the world. For example, we have medical reactors, which we can send to other countries for very useful purposes. We will send one to the Philippines, and we will send one to Switzerland and sell it to that Government. We will send them all over the world. That is a very fine thing to do. Long before the request came to Congress the committee put money into the bill for that purpose.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. CAPEHART. Why do we not do both?

Mr. ANDERSON. I yield myself another minute. We will do both. We are putting $25 million in the bill for the careful development of the type of reactor which will do the job, which will be designed for use in a surface ship, and which can be used in carriers and cargo ships as well, but which will not be the equivalent of the kind of reactor that is used in a submarine. That is what we want to spend our money for.

Mr. HICKENLOOPER. Mr. President, I yield 5 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I cannot emphasize too strongly my support of the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER]. I find

it very difficult to understand the opposition to the construction of an atomic-powered merchant ship for demonstration for experimental purposes.

The United States for years has maintained leadership in the development of atomic energy. When the security of the free world was threatened, we developed atomic power for war, and we proposed to develop it for peace. Now other nations claim to have surpassed us.

Are we to sit back and let them prove to the world the truth of their assertion? Are we going to let them outdo us and send their own atomic-powered ships into the ports of the world to prove that we follow but do not lead in promoting the peaceful uses of atomic energy?

It has been said that the proposed ship will not be economic. Who expects it to be an economic ship? It will be the first atomic-powered merchant ship, and it certainly will not be economic.

As the Senator from New Mexico has said, the powerplant probably will cost five times as much as the powerplant of a conventional ship. Undoubtedly it will cost three times as much to operate such a ship as it costs to operate a ship with a conventional powerplant.

However, Mr. President, should we wait for a better ship before building one? Did we wait for the economic production of oil from shale before authorizing the construction of a pilot plant? Did we wait for the economic use of taconite ore before authorizing a pilot plant for getting it into use? Did we wait for a better ship before authorizing the construction of the submarine *Nautilus*, which, as the Senator from New Mexico has said, was outmoded the day it was finished? Why, then, do we wait for a better atomic-powered merchant ship before constructing the first one? Are we going to wait for England, Germany, Russia, or some other country, or are we going ahead on our own? Can we build a better ship than one which opens the way to peaceful uses of atomic energy?

Let us not fall behind other nations in the eyes of the world, for that is what some countries would like to have us do. Let us not quibble over the cost—a few million dollars for the greatest demonstration project which we could probably provide at this time. We cannot weigh the value of an atomic messenger of peace in dollars and cents. If we delay, can we explain to the world why we hastened to build a ship for destructive purposes, but refused to authorize one dedicated to the purpose of peace?

We have a great opportunity to convince the world of our superiority in the atomic field. We have a great opportunity to convince the world of our determination to seek the way of peace and better living for mankind. We must not foolishly pass by this opportunity.

I find the opposition to the amendment offered by the Senator from Iowa almost unbelievable.

Mr. HICKENLOOPER. Mr. President, I yield a few minutes to the Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President. I wish to join with the Senator from Iowa and others in recommending the adoption of the amendment, because it seems to me we should and must agree to it.

I do not quite understand the opposition, because I know something about engineering and developing, and I know it takes time and money. Of course, the first prototype built is always very expensive and inefficient, but as we go on from day to day, from month to month, and from year to year, we improve it. That has been the history of all our modern improvements in automobiles, radio, television, airplanes, and other products.

I can think of nothing which would create more good will and which would be visited by more people than would such a ship going around the world and docking in various ports, carrying items made in the United States. To me it would be one of the finest sales mediums we could have. It would enable us to secure the necessary experience in building atomic ships.

As I have said, Mr. President, I do not quite understand the opposition to the amendment. We have heard about a $25 million ship. I now understand that that has reference to some kind of a plant on land with which experiments will be made. But as one who has been in the experimenting and manufacturing business, I know it is essential to build things and get them into the hands of the people where they will be tested under the same conditions as those under which they left the factories. Otherwise, the tests are not very effective.

Senators say it will be an inefficient powerplant. Why should it be inefficient? We are going to appropriate X amount of money to build a ship. I have confidence that those who design it and build it will put into it everything they know at this time. Anything beyond that will come as the result of experience. At least, I am hopeful that that is the way it will work.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The time of the Senator from Indiana has expired.

Mr. ANDERSON. Mr. President, I yield 5 minutes to the Senator from Rhode Island [Mr. PASTORE].

Mr. PASTORE. Mr. President, I think we are entirely missing the point when we say we must have the first before we can have the second. There is no experimental value to the type of reactor about which we are talking. There is not one single thing we can learn from it we do not already know. But this we do know, that when we come to construct a reactor to be used on a surface ship, we will not build one that burns U–235, because that is the most expensive fuel that can be used in a reactor, and it will not be used in a commercial ship.

I hope the discussion will not degenerate into another Dixon-Yates controversy. I hope we will not divide this issue by the middle aisle, because it is not a Republican question or a Democratic question. It is a question of what we shall do to convince the world that we are willing to share our knowledge of atomic energy.

When the President made his speech before the United Nations in December of 1953 he electrified the world because he had a good idea. It was a good program in connection with atoms for peace. I do not know who advised the President concerning this particular project, but someone sold him a wrong bill of goods, because if we wish to prove our willingness to share our great knowledge of atomic energy with the rest of the world, we will not do it by building a reactor such as was placed in the *Nautilus*, and placing it in a surface ship. Admiral Rickover said it was about the worst thing we could do. We should take advice from the man in whose mind the *Nautilus* was born.

Mr. President, no important decisions made by the Joint Committee on Atomic Energy have been predicated upon purely partisan considerations. This is not a Democratic question or a Republican question. I think it would be a serious mistake to expend $21 million to build a surface ship of the kind we have been discussing. If we want to spend $21 million to prove to the free world that we are willing to share our nuclear knowledge, let us build something that is worth while. Let us build medical reactors and prove that we are willing to eradicate pestilence and starvation from the deprived nations of the world. Do not drive a Cadillac in front of the home of a poor relative and say, "Look how rich I am, and how poor you are."

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. SALTONSTALL. The Senator has stated that the kind of nuclear powerplant which is in the *Nautilus* will not be put into a commercial ship. I disagree 100 percent with the Senator when he says it would be a waste of money to provide for the ship now proposed because if we can send such a ship into a harbor and show that atomic energy can be used for peacetime purposes as well as for wartime purposes, we shall be giving a lift of faith to the people that they would not receive in any other way.

The Senator from New Mexico spoke about a Cadillac engine being placed in a Stanley Steamer. The Stanley cars were built in Massachusetts, and the Duryea was built in Massachusetts, but they were not built for war purposes. If we put nuclear power into a peacetime ship and send it across the sea, is that not helpful as showing the people that there is some other purpose to which atomic power can be put than merely to kill people?

Mr. PASTORE. Yes; it would have a very telling effect upon the free world if we could put a reactor in a surface ship and say that atomic energy can be used for commercial purposes. But we do not put into a surface ship a reactor that uses U–235.

Mr. HICKENLOOPER. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. HICKENLOOPER. When I was a small boy the newspapers announced that someone had built what was called an automobile and that it had bicycle wheels on it, but no one in my section of the country had ever seen one, and no one thought it would run.

But there was a genius in our town, a blacksmith, who took an old one-

cylinder gasoline engine, which was used for turning a wood saw——

Mr. PASTORE. The Senator from Iowa is asking a question on 2 minutes of my time. I hope he will use some of his time for the question.

Mr. HICKENLOOPER. Mr. President, I yield myself 1 minute.

The man used an old one-cylinder motor, mounted on a series of planks, to which he attached wagon wheels. He cranked up the engine, and ran the contraption up and down the streets of our little town. Everyone in that area on the frontier said, "By golly, there is such a thing as an automobile. We saw one chugging up and down the street."

It was 3 years before we saw a manufactured automobile in our town, but what we saw proved to us that there was such a thing as an automobile.

Mr. PASTORE. There is one thing the Senator forgets. We are not trying to impress people with the idea that we can sail a surface ship with or without a reactor. That is not the question we are trying to prove at all. All we are trying to say is that the type of reactor which is in the *Nautilus*, and is identical with the reactor that would be installed in a surface ship, is not the kind of reactor we should sell to ourselves or try to sell to the world, because when it comes to using atomic energy for the purpose of sailing a ship on the surface of the water, the Senator from Iowa knows better than I do that the type of reactor used in the *Nautilus* will not be used in a surface ship. We might as well recognize that now. If the Senator can contradict that statement, I should like to have him do so.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the able Senator from Indiana.

Mr. CAPEHART. Mr. President, numerous industrial firms throughout the Nation spend millions of dollars a week in advertising on television and radio and in the press.

As one who knows something about advertising and selling, I may say that if the Government spends $21 million, or whatever the amount may be, for an atomic installation on a surface ship which will be sent around the world, the United States will receive in return, in my opinion, hundreds of millions of dollars' worth of advertising value, and will create good will, because millions of people will inspect the ship. We shall have been the first nation to have built an atomic merchant ship.

I think we are completely, 100 percent, missing the point. If we want to sell the people of the world upon the United States, we ought to be willing to spend a few million dollars on projects of this type.

Mr. ANDERSON. Mr. President, I yield 3 minutes to the junior Senator from Washington.

Mr. JACKSON. Mr. President, in my judgment, there are two simple considerations in connection with the pending proposal.

First, we should consider whether the project is technically feasible. Second, will it promote the peaceful program envisaged by the President for our country?

Much has been said about the technical considerations of the proposed atomic ship. One would think that if the program were sound, there would at least be some scientific backing for it. The truth is that the technical personnel who are responsible, who have the know-how, and who understand atomic propulsion, have failed to support the proposal. Admiral Rickover, who is, as the junior Senator from Rhode Island [Mr. PASTORE] has pointed out, the father of atomic propulsion, has said that this program is not feasible.

How can Senators talk about the great technical advantage the United States will have in developing this type of propulsion system, when they fail to consider the fact that the persons who have the technical know-how are opposed to it? The matter is that simple.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. HICKENLOOPER. I call attention to the testimony of Admiral Rickover, which appears on page 15 of the hearings, in which he said—and I shall not quote it all:

> If you are going to get the job done fast, there is no other recourse but to use the *Nautilus* reactor. That is all I can say.

Mr. JACKSON. That is correct; but he also went on to say——

Mr. HICKENLOOPER. The Senator from Washington said that the *Nautilus* type of reactor was not feasible.

Mr. JACKSON. Admiral Rickover pointed out that if the job is to be done properly, an engine should be developed specifically for a surface vessel. He said that any kind of engine could be put into any kind of ship in order to get some movement. But Admiral Rickover told the members of the committee that he disapproved of such a project as is proposed. He saw no advantage, from the technical or scientific side, in supporting the proposal.

Admiral Rickover continued by saying that such a proposal would interfere with the Navy program. I quote now from his testimony on page 86 of the hearings, when he was interrogated, first, by Representative DURHAM, and then by Representative HOLIFIELD:

> Representative DURHAM. We are going to get into a priority of building these reactors.
>
> Admiral RICKOVER. Yes; with this merchant ship we are already in a priority, and it will delay the Navy program in doing this job.
>
> Representative HOLIFIELD. In other words, this will take the place of the *Sea Wolf*?
>
> Admiral RICKOVER. It wont' take the place of anything, but it will result in delay.
>
> Representative HOLIFIELD. In delay?
>
> Admiral RICKOVER. Yes.

It does not make sense to me that we should attempt to cram down the throats of the scientists, those who have the know-how, a program which is not workable.

Second, will such a program promote peace? It is obvious that if we want to make clear our peaceful intentions in the field of atomic energy, we ought to continue with the program which the President originally initiated.

This is a fine program because it involves the sharing of the peaceful atom. The present proposal fails to share the peaceful atom. One important thing which the Communists have been able to exploit is the fact that, as the Senator from Indiana [Mr. CAPEHART] has mentioned, we export moving pictures which portray our wealth, but we offer no formula to solve the problems of that part of the population of the world which wakes up hungry every morning and which cannot participate in the abundant life.

If the program of atoms for peace is to have meaning, we should make it possible for the people in other parts of the world to participate in the program.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, without the time being charged to either side, I may suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	McCarthy
Allott	Frear	McClellan
Anderson	Fulbright	McNamara
Barkley	Gore	Millikin
Barrett	Green	Monroney
Beall	Hayden	Mundt
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Clements	Kerr	Smathers
Cotton	Kilgore	Smith, Maine
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Douglas	Lehman	Symington
Duff	Long	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Young

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). A quorum is present.

Do the Senators who control the time desire to yield back the remaining time? There is remaining a total of 13 minutes.

Mr. HICKENLOOPER. Mr. President, I yielded 2 minutes to the Senator from Ohio.

Mr. BRICKER. Mr. President, a year ago it was my privilege to travel in many nations of the world on a commission charged with developing the peaceful uses of atomic energy. I welcomed that opportunity, because every day then we saw, as now we see in the headlines of the papers, articles indicating the destructive possibility of atomic weapons, and I found in all the countries which I visited tremendous fear for the future if war should break out. The people know of the destructive possibilities of the terrible weapons which have been developed.

I found likewise a yearning and a very keen desire to know more and more of the peaceful uses of atomic energy and its byproducts. I found everywhere that the leaders of the nations which we visited knew something about the possibilities of the use of atomic energy in agriculture, in health, and in the production of power; and everywhere there was a shortage of power and everywhere there was a need for peaceful and health-giving uses of radiation and atomic energy.

So when the President made his recommendation, I could not help recalling those experiences, and realizing the tremendous impact which would be made by a ship powered by atomic energy, carrying not alone an atomic reactor for propulsion purposes, but likewise exhibits illustrating the peaceful uses of atomic energy in agriculture and in the domain of medicine. Everywhere we found the same reaction and the more we thought of the peacetime uses of atomic energy, the more possibilities we could see regarding the beneficent results of its application, and the less likelihood there would then be of war in the world.

So I wish to say to my colleagues that, as a result of that experience, I must heartily concur in the President's recommendation and also in the amendment which has been submitted by the Senator from Iowa. I know of nothing which would so actively engage the minds and hopes of the peoples of the world—many of whom are now depressed—for a better tomorrow than this exhibition, which would be sent around the world, into the various ports, and there would emphasize the peaceful and beneficial uses of atomic energy, and would promote better living for mankind, and thereby, we hope, would prevent emphasis upon war and the use of atomic power for destructive purposes.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. ANDERSON. Mr. President, I do not know that those of us on this side of the question will use all the time available to us.

Again, I wish to point out that we regard the proposed expenditure as very unwise, because, in the first place, it is technically bad. No merchant ship will be powered by a single atomic reactor; that will not be the pattern of development. We shall make no contribution if we put an atomic powerplant, such as the one designed for the submarine *Nautilus*, into a merchant ship. All the power experts oppose doing so. There was no testimony to the effect that such equipment would be of the type which eventually will be used.

We wish to stress the point that the bill calls for the authorization of an appropriation of $25 million for the development of the correct type of atomic power. But we shall do no good if we provide for placing atomic-powered propulsion machinery in a ship of the type now proposed. If we should equip such a vessel with atomic power, under the present proposal, I think it would do no good, because the people of the earth would not have a chance to participate in the development. No foreign nation will have a chance to participate in the design or in the use of such a design.

How much better it will be if we use atomic power in connection with developments which will be helpful to all of us for instance, medicinal developments which will be very worth while.

Already many questions are being asked. Among them are the following: Who will decide how to handle or manage the ship while it is in a foreign port? Who will decide what will be done with the atomic wastes coming from it?

I say it is far better to proceed with the normal atomic reactor program, and to spend $25 million or more on work which will lead to future progress, rather than to send the proposed vessel to the various harbors of the earth, where those who would be in charge of the ship would say, "Look. We have built this ship and this powerplant for it. It is not what we want, but we have built it, even thought it is not good."

I believe it would be far better for us to do something which would be good—not as the *Nautilus* submarine is good—but for us finally to construct a ship which will be useful in hauling cargoes.

Therefore, I believe that the amendment of the Senator from Iowa is bad, and should be rejected; and I hope the committee's proposal will be sustained.

Mr. HICKENLOOPER. Mr. President, I yield 1 minute to the Senator from California [Mr. KNOWLAND].

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mr. KNOWLAND. Mr. President, as a member of the Joint Committee on Atomic Energy, I am supporting the amendment of the Senator from Iowa [Mr. HICKENLOOPER].

It is true that in the joint committee, there was a difference of opinion, just as differences of opinion develop in connection with many matters, in many fields, before other committees. But the President of the United States has made a special plea for the construction of this merchant vessel, which will have atomic power for its propulsion. The President believes that the construction of such a vessel will serve well our foreign policy, and will constitute an essential part of it.

All over the world, the Soviet propaganda machine has been grinding out statements to the effect that the United States does not have an atomic-powered vessel of any kind. Furthermore, in my judgment the Soviet propagandists have been interested in seeing to it that the United States is pictured only as a warmonger, and as owning an atomic bomb, and as not having any interest in the general welfare of humanity.

The President has made recommendations—and I think they are good ones—regarding the use of atomic reactors for medical and scientific purposes. The committee has supported that part of the program.

I say frankly that I think it would have been better if the President had made this suggestion to the committee, prior to the delivery of his speech in New York. That might have ironed out some of the difficulties.

But the fact is that the President, as the Chief Executive of our Nation, has made this recommendation and has submitted this request; and I hope the Senate will not repudiate it.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. HICKENLOOPER. Mr. President, I believe I have 3 minutes remaining.

The PRESIDING OFFICER. That is correct; the Senator from Iowa has 3 minutes remaining under his control.

Mr. HICKENLOOPER. Mr. President, I hope I shall not use that much time.

I merely wish to say that there is no argument, on the part of anyone of whom I know, that the proposed vessel's propulsion will be economically sound, in comparison with present-day conventional propulsion, or that it will be economically feasible, as compared with atomic-powered ships as of 10 or 15 years from today.

On the other hand, I call attention to the fact that the proposed ship is to constitute a practical demonstration of ship propulsion, by means of atomic force, for peacetime uses.

Let us consider what such a ship, when constructed, will do. The ordinary men and women of foreign countries cannot observe the application of atomic reactors in connection with medical developments. They can only read about them, at best. I am in favor of helping in that connection; but the proposal now before us does not exclude our doing so.

I call attention to the fact that at the fairs at Bangkok and Rangoon, all sorts of fancy gadgets, materials, and machinery were displayed. The Russians had there an exhibit of what Russia was doing. But what stole the show, and where did the crowds go? They went to see Cinerama. At one point the Russians became so disgusted that they removed their exhibit—because the Americans were stealing the show, with Cinerama.

So this vessel, when constructed, when we are able to send an atomic-powered ship of our own into the harbors of the world, will constitute a most impressive demonstration. It will attract the attention and capture the imagination of the people of all the countries it visits, and will show them that the United States is making a practical peacetime use of atomic energy.

One Senator has said that the United States would not today send abroad a Stanley steamer, because the Stanley steamer is now obsolete. Of course that is true, although at one time the Stanley steamer was very practical indeed. Furthermore, let me point out that in the case of every airplane which has been manufactured, its design was obsolete by the time it left the drawing boards.

Certainly it is true that new developments will occur in the field of atomic energy, and certainly it is true that we shall have atomic-powered airplanes. However, we continue to build the conventional airplanes, until the new ones are proved to be efficient.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. ANDERSON. Mr. President, I am prepared to yield back the remaining time available to our side.

Mr. JOHNSON of Texas. Mr. President, has all time been yielded back?

The PRESIDING OFFICER. The Senator from New Mexico has approximately 4 minutes remaining.

Mr. JOHNSON of Texas. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	McCarthy
Allott	Frear	McClellan
Anderson	Fulbright	McNamara
Barkley	Gore	Millikin
Barrett	Green	Monroney
Beall	Hayden	Mundt
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Clements	Kerr	Smathers
Cotton	Kilgore	Smith, Maine
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Douglas	Lehman	Symington
Duff	Long	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Williams
Evins	Martin, Pa.	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing, en bloc, to the amendments offered by the Senator from Iowa [Mr. HICKENLOOPER]. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. McCARTHY (when his name was called). On this vote I have a pair with the senior Senator from New Jersey [Mr. SMITH]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], and the Senator from Oregon [Mr. MORSE] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Georgia [Mr. GEORGE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Oregon [Mr. MORSE], and the Senator from Montana [Mr. MURRAY] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. WELKER], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from North Dakota [Mr. LANGER] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is necessarily absent, and his pair with the Senator from Wisconsin [Mr. McCARTHY] has been previously announced.

The result was announced—yeas 41, nays, 42, as follows:

YEAS—41

Aiken	Cotton	Millikin
Allott	Curtis	Mundt
Barrett	Duff	Payne
Beall	Dworshak	Potter
Bender	Flanders	Purtell
Bennett	Hickenlooper	Saltonstall
Bricker	Hruska	Schoeppel
Bridges	Ives	Smith, Maine
Bush	Jenner	Thurmond
Butler	Knowland	Thye
Capehart	Kuchel	Watkins
Carlson	Malone	Williams
Case, N. J.	Martin, Iowa	Young
Case, S. Dak.	Martin, Pa.	

NAYS—42

Anderson	Hayden	McClellan
Barkley	Hennings	McNamara
Bible	Hill	Monroney
Byrd	Holland	Neely
Clements	Humphrey	Neuberger
Daniel	Jackson	O'Mahoney
Douglas	Johnson, Tex.	Pastore
Eastland	Johnston, S. C.	Robertson
Ellender	Kefauver	Russell
Ervin	Kerr	Scott
Frear	Kilgore	Smathers
Fulbright	Lehman	Sparkman
Gore	Long	Stennis
Green	Mansfield	Symington

NOT VOTING—13

Chavez	Langer	Smith, N. J.
Dirksen	Magnuson	Welker
George	McCarthy	Wiley
Goldwater	Morse	
Kennedy	Murray	

So Mr. HICKENLOOPER'S amendments were rejected.

The VICE PRESIDENT. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 6795) was read the third time and passed.

REWARDS FOR INFORMATION CONCERNING ILLEGAL INTRODUCTION INTO OR ILLEGAL MANUFACTURE OR ACQUISITION IN THE UNITED STATES OF SPECIAL NUCLEAR MATERIAL AND ATOMIC WEAPONS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 627, Senate bill 609.

The VICE PRESIDENT. The clerk will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 609) to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States of special nuclear material and atomic weapons.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 609) which had been reported from the Joint Committee on Atomic Energy with an amendment on page 4, line 20, after the word "includes", to insert "the Commonwealth of Puerto Rico", so as to make the bill read:

Be it enacted, etc., That this act may be cited as the "Atomic Weapons Rewards Act of 1955."

SEC. 2. Any person who furnishes original information to the United States—

(a) leading to the finding or other acquisition by the United States of any special nuclear material or atomic weapon which has been introduced into the United States, or which has been manufactured or acquired therein contrary to the laws of the United States, or

(b) with respect to an attempted introduction into the United States or an attempted manufacture or acquisition therein of any special nuclear material or atomic weapon, contrary to the laws of the United States,

shall be rewarded by the payment of an amount not to exceed $500,000.

SEC. 3. An Awards Board consisting of the Secretary of the Treasury (who shall be the Chairman), the Secretary of Defense, the Attorney General, the Director of Central Intelligence, and of one member of the Atomic Energy Commission designated by that Commission, shall determine whether any person furnishing information to the United States is entitled to any award and the amount thereof to be paid pursuant to section 2. In determining whether any person furnishing information to the United States is entitled to an award and the amount of such award, the Board shall take into consideration—

(a) whether or not the information is of the type specified in section 2, and

(b) whether the person furnishing the information was an officer or employee of the United States and, if so, whether the furnishing of such information was in the line of duty of that person.

Any reward of $50,000 or more shall be approved by the President.

SEC. 4. If the information leading to an award under section 3 is furnished by an alien, the Secretary of State, the Attorney General, and the Director of Central Intelligence, acting jointly, may determine that the entry of such alien into the United States is in the public interest and, in that event, such alien and the members of his immediate family may receive immigrant visas and may be admitted to the United States for permanent residence, notwithstanding the requirements of the Immigration and Nationality Act.

SEC. 5. The Board established under section 3 is authorized to hold such hearings and make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this act.

SEC. 6. Any awards granted under section 3 of this act shall be certified by the Awards Board and, together with the approval of the President in those cases where such approval is required, transmitted to the Director of Central Intelligence for payment out of funds appropriated or available for the administration of the National Security Act of 1947, as amended.

SEC. 7. As used in this act—

(a) The term "atomic energy" means all forms of energy released in the course of nuclear fission or nuclear transformation.

(b) The term "atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

(c) The term "special nuclear material" means plutonium, or uranium enriched in the isotope 233 or in the isotope 235, or any other material which is found to be special nuclear material pursuant to the provisions of the Atomic Energy Act of 1954.

(d) The term "United States," when used in a geographical sense, includes the Commonwealth of Puerto Rico, all Territories and possessions of the United States and the Canal Zone; except that in section 4, the term "United States" when so used shall have the meaning given to it in the Immigration and Nationality Act.

Mr. ANDERSON. Mr. President, S. 609 is virtually identical with the Atomic Weapons Rewards Act bill which was proposed last year, unanimously adopted by the joint committee and passed by the House on voice vote.

This year the bill was introduced again in both Houses and was unanimously reported by the joint committee.

Mr. President, if I may take just a moment so that the Members may have some idea of what this is about, first, let me assure you that it does not constitute an authorization for the expenditure of money which is not now presently authorized.

It does not constitute a grant of authority for the grant of an award that is not now presently authorized.

In substance it authorizes a reward of up to $500,000 to any person who may provide information or evidence leading to the detection of an atomic weapon which has been smuggled into this country or illegally manufactured in this country.

It is unnecessary for me to call to the attention of the Senate the dire consequences of a weapon surreptitiously brought into this country. The reward of $500,000 is a pittance in comparison with the value of the detection of the existence of such a weapon.

A board is created by this bill to pass upon the amount of the award and the entitlement to it. That board is composed of the Secretary of the Treasury, the Director of Central Intelligence, one member of the Atomic Energy Commission and the Secretary of Defense.

The one committee amendment this year was to include the words "the Commonwealth of Puerto Rico" within the definition of the United States, in order to clarify the status of that Commonwealth.

Mr. HICKENLOOPER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HICKENLOOPER. Mr. President, I wish to join in the statement made by the Senator from New Mexico. I have been familiar with the bill for the past 2 years. I approve of what he has said, and I agree that the bill is a good bill to pass from a psychological standpoint. I hope the Senate will accept it.

Mr. ANDERSON. I thank the Senator from Iowa.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 609) was ordered to be engrossed for a third reading, read the third time, and passed.

CAREER APPOINTMENTS IN THE COMPETITIVE CIVIL SERVICE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 580, Senate bill 1849.

The VICE PRESIDENT. The clerk will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1849) to provide for the grant of career conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. KNOWLAND. Mr. President, I understand that this bill is to be made the unfinished business.

Mr. JOHNSON of Texas. The Senator took the words out of my mouth.

Mr. President, I am prepared to yield to any Senator who wishes to make an insertion in the RECORD.

THE PROPOSED HELLS CANYON DAM

Mr. NEUBERGER. Mr. President, the largest and most influential newspaper of the intermountain West, the Denver Post, published a cogent and effective editorial on June 24, 1955, entitled "The Dilemma of the Hells Canyon Dam."

The editorial underscores the fact that even the Federal Power Commission examiner who recommended construction of a small Idaho Power Co. dam actually recognized the superior efficiency and capacity of a high Federal dam at that site.

The editorial in the Denver Post stated, quite clearly and emphatically, that—

He (the examiner) found in favor of the high Hells Canyon Dam and said it was his "inescapable conclusion that with the marked and substantial advantage of the Government's credit, the high dam would be dollar for dollar the better investment and the more nearly ideal development of the Middle Snake."

Palmer Hoyt, nationally known publisher of the Denver Post, and his able editor, Robert W. Lucas, have done a service to sound resource development both in their own Rocky Mountain region and in the Pacific Northwest by publishing this splendid editorial. I commend the editorial to some Rocky Mountain Senators, who want their own $1,659,000,000 upper Colorado project, and yet are raising all kinds of specious and picayune objections to the $365 million Hells Canyon project.

I ask unanimous consent to have the editorial printed at this point in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE DILEMMA OF THE HELLS CANYON DAM

A decision by William J. Costello, presiding examiner for the Federal Power Commission, in the Snake River development case puts the Department of the Interior, the Congress of the United States, and the Commission itself in a very awkward position.

We are fearful, too, that what the administration does about the problem on the Snake will be decisive with respect to the passage of the upper Colorado River and the Arkansas-Fryingpan projects—both so critical to the economic welfare of Colorado and the Rocky Mountain States.

The case involves a petition by the Idaho Power Co. to erect three low-head hydroelectric dams in the Snake where it forms the common border of Idaho and Oregon. Opponents of the petitioning company are trying to obtain congressional authorization for one huge, high-head dam at Hells Canyon, which would be built in same same area.

The conflict between the two propositions has grown into a nationwide controversy between public versus private power.

In 1953 the Department of the Interior under Secretary McKay announced it was withdrawing former Secretary Chapman's objections to the private company's petition for a license to dam the Snake in Hells Canyon. The Department said it was the duty of the Federal Power Commission to referee the matter, and that the Department would abide by the Commission's decision. Speaking to the Idaho State Reclamation Association in Boise on November 4, 1953, Under Secretary Ralph A. Tudor said, "You should know that the Federal Power Commission has the right, and, I believe, the responsibility for recommending that the Federal Government go ahead with the high Hells Canyon project if, in the opinion of the Federal Power Commission, this is the proper answer."

Mr. Tudor had also said that the Department had "advised the Commission that if it should grant the license (to Idaho Power) certain restrictions should be placed on the Idaho Power Co. which would assure that their development would be adequate and would be integrated into the Northwest power pool."

In May of that year, the Department, in an official statement withdrawing its petition for intervention before the Commission on the Hells Canyon case, said: "The Department of Interior would be playing the reprehensible part of 'a dog in the manger' if it insisted on opposing a badly needed development that private capital is ready and willing to undertake if the plan proposed by the Idaho Power Co. is reasonably comparable as to results, while the Department itself has no assurance that it can carry out its plan without extended delay." The emphasis at that time was on the Idaho utility's petition to build 3 dams, Hells Canyon, Oxbow, and Brownlee.

Now, let's examine the provisions of the law fixing the jurisdiction of the Commission and setting forth its obligations in such matters. Does the examiner's decision answer the question raised by the Department of Interior? Does the decision meet the specifications of "adequacy" and "integration" so specifically demanded by the Department?

Section 7 of the Federal Water Power Act (as amended) provides that * * * "When-

ever, in the judgment of the Commission, the development of any water resources for public purposes should be undertaken by the United States itself, the Commission shall not approve any application for any project affecting such development, but shall cause to be made such examinations, surveys, reports, plans, and estimates of the cost of the proposed development as it may find necessary, and shall submit its findings to Congress with such recommendations as it may find appropriate concerning such development."

Mr. Costello sidestepped that section for his own reasons, later explained.

Section 10 of that same act directs that any plan approved for licensing by the Commission shall be such "as in the judgment of the Commission will be best adapted to a comprehensive plan for improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, for the improvement and utilization of water power development, and for other beneficial public uses, including recreation purposes."

The examiner's decision admitted that the plan accepted was not the best available.

Mr. Costello's decision, issued May 6, was in clear conflict with the statute setting forth the responsibilities of the Commission. He found in favor of the high Hells Canyon Dam and said it was his "inescapable conclusion that with the marked and substantial advantage of the Government's credit, the high dam would be dollar for dollar the better investment and the more nearly ideal development of the Middle Snake." But he recommended that a license be granted the Idaho Power Co. to build only one dam, instead of three, "because of the applicant's failure to show a market which would provide some assurance that the licensee would proceed at once with the development of all of the sites."

Mr. Costello did not turn down the utility's application. He amended it and then recommended it for license. He did not make recommendations for the more feasible and adequate Federal development as directed by statute. Why? Because, in his own words, "the likelihood of the * * * appropriation for * * * the high dam project is so remote as to make a recommendation to the Congress * * * a completely useless action."

Mr. Costello's findings of fact rejected the argument that the Snake River's flow, even in a full low-water cycle, would not fill the gigantic Hells Canyon Dam reservoir; or that future upriver irrigation would draw down the river so as to make the big dam infeasible in the future. That demolished two of the Idaho Power Co.'s principal points of opposition to the high dam. And it also spiked the fear planted in the minds of upriver irrigators that their water rights would be jeopardized by a future conflict of interests—power versus farming.

Mr. Costello accepted the cost-benefit superiority of the high dam. And he affirmed the contention of the big dam's proponents, that it was a key unit in the main control program for the whole Columbia River basin. But Mr. Costello's decision referred only to the adequacy of one dam in serving the applicant's own market, and took no account of integrating the output of three dams in the Northwest power pool.

So by reference to the Department of the Interior's own public statements as of May and November 1953, Mr. Costello's decision would permit no "reasonably comparable development of the natural resources involved" as explicitly set forth by the Department as one of "two basic questions involved." And although Mr. Costello's findings clearly imply that the private utility's plan is not the "best adapted to a comprehensive plan for improving or developing a waterway" as required for the granting of a license, the license is recommended for grant anyway. Why?

Well, Mr. Costello concluded that, in his opinion, inadequate development of the middle Snake is better than no development at all. He put it this way: "I am convinced that the nonutilization of water resources could be in some circumstances just as shortsighted as less than maximum development."

So by tortured reasoning, by evasion of statutory responsibility and by what appears to us as an arbitrary invasion of the legislative function, Mr. Costello has contrived to justify a private utility's grab of a great power site. And then, as if his conscience were bothering him, he suggests on page 57 of his decision that, "If the Congress feels that the Commission has not performed its functions in the public interest and in accordance with the provisions of the statute, the Commission's power to issue a license may be withdrawn or suspended at any time."

We're not certain that Mr. Costello himself is to blame for this exhibit of doubletalk. But we cannot see how the Department of the Interior can accept the decision and abide by it—unless it is willing to face the charge of double-crossing the people of the Pacific Northwest. And acceptance of the findings by Congress will make a dead letter of its own Federal Water Power Act, while undermining the authority of the FPC and its future usefulness.

Mr. Costello's reference to the impact of the Supreme Court's Roanoke Rapids decision on any effort to reserve, forever, public development of a river simply because Congress, at one time, made it part of a "comprehensive plan" is well taken. But the responsibility of the Commission in view of its own examiner's findings of fact is clearly mandated in law. And the Department of the Interior—having insisted upon comparable development as a condition of licensing the private utility, will appear ridiculous if it lets the examiner's recommendations go without challenge.

ORDER FOR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that upon the conclusion of its business for today, the Senate adjourn until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ATOMIC ENERGY AGREEMENTS FOR COOPERATION

Mr. KEFAUVER. Mr. President, the Washington Atomic Energy Report, an independent weekly publication on the development of nuclear energy for civilian purposes, in its issue for June 13, 1955, contains the following statement:

> The President has initialed Agreements for Cooperation with Argentina, Spain, Italy, Switzerland, Denmark, and Lebanon.

Certain information is given relative to the development of atomic energy, and reference is made to the allocation for lease to each country of six kilograms of uranium-235 for the construction and operation of research reactors. I am certain all of us agree that this is a fine program. I understand the agreements or pacts were sent to the Joint Committee on Atomic Energy on June 13.

But, Mr. President, I do not believe that Congress should put the stamp of approval on a transaction with Dictator Peron after his mobs have slain hundreds of Argentine people whose only crime was a desire for freedom of worship.

I do not think we can afford to give prestige and backing to Mr. Peron, who has violated, as I see it, every principle of civil and religious liberty. At least, I wish to be recorded against doing so.

As I understand, the Joint Committee has 30 days from the time the agreements were submitted to Congress in which to consider and to take action on them. I hope they will be given careful consideration.

I think the matter should be thought over very seriously before any backing in this way is given to the Argentine dictator.

AMON G. CARTER

Mr. DANIEL. Mr. President, the sad news of the death of one of our greatest Texans, Amon G. Carter, came to the floor of the Senate last Friday while I was conducting hearings for a Senate Judiciary Subcommittee in New York.

Therefore, I take these few minutes today to express a word of tribute to his memory and a word of sympathy to his family and host of friends.

Mr. President, in the passing of Amon G. Carter, Texas and the Nation have lost one of the most able and patriotic citizens of our generation.

Amon G. Carter's patriotism and good citizenship began with his home town of Fort Worth. No man ever loved his city more. Few men have ever accomplished more for their city and its people than did Amon G. Carter.

I first knew Mr. Carter when I was a high school student in Fort Worth. He helped promote Boys' Week, during which Fort Worth boys were elected to and served in every city and county office. My first view of public service was as Boys' Week City Manager. Mr. Carter gave a banquet for us at the Fort Worth Club and encouraged us to take a keen interest in the processes of self-government. Later I served as a string reporter on his Fort Worth Star-Telegram. Throughout the years he inspired boys and girls to love their city and led men and women to work for it.

Lincoln once said:

> I like to see a man who is proud of the place in which he lives and who so lives that the place is proud of him.

Amon G. Carter was that type of man. He was proud of the place in which he lived, and he so lived that the place and all of its people were proud of him.

Typical of men with love and loyalty for their hometown, Amon G. Carter had the same love and patriotic zeal for his State and Nation. He was generous with his time and money in many efforts to promote better government and a stronger national security.

A brief summary of the more colorful side of his life was contained in the Associated Press story announcing his death. I ask unanimous consent that the article be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Amarillo (Tex.) Globe-Times of June 24, 1955]

FROM DISHWASHER TO MILLIONAIRE: SUCCESS STORY, TEXAS STYLE, ENDS AS AMON G. CARTER DIES

FORT WORTH, TEX., June 24.—Amon G. Carter, who rose from poverty to become the colorful multimillionaire publisher of the Fort Worth Star-Telegram, one of the major newspapers of the United States, died last night at 75.

His career started as a dishwasher and waiter in a Bowie, Tex., boardinghouse—and for all his life he was proud of his humble beginnings.

From there he traveled to the Indian Territory of Oklahoma to sell gilt-framed pictures, then to San Francisco as an advertising man, later to Fort Worth as head of his own advertising company, then organization of the newspaper.

In the 1930's, Carter became a very wealthy oilman—after his first 99 holes were dry—and turned his great fortune into philanthropy.

The publisher suffered 3 heart attacks early in 1953, but gained strength, took 2 cruises, and conducted some business, but this year decreased his activities to conserve his strength.

In 1952, he relinquished the presidency to his son, Amon Carter, Jr., but continued as chairman of the board and publisher of Carter Publications.

Carter was a booster of Texas, particularly Fort Worth and west Texas. He was a leader in bringing airplane, motor, and other plants to the Fort Worth area. His efforts led to the building of the large new international airport here and grateful citizens named the field and administration buildings for him.

He was noted for his entertainment, particularly at his Shady Oak farm on the outskirts of Fort Worth. He was the friend of Presidents, royalty, industrial executives, railroad leaders, bankers, cowhands, and many others. Many national figures wore the "10-gallon" hats he gave away profusely.

Courage in the oil business brought him great wealth. He drilled or had a substantial interest in 99 dry holes before his first strike, in the Mattix pool, Lea County, N. Mex., July 19, 1953. He drilled the discovery well in the Wasson pool which extended over two west Texas counties. To his credit also was the Keystone Ellenburger pool in Winkler County.

On September 1, 1947, his Wasson pool holdings in one county were sold to Shell Oil for $16.5 million, the largest oil deal in Texas to that time. This became the nucleus of the Amon G. Carter Foundation, which has poured millions into charitable and educational channels.

His gifts ranged from small ones for individuals to large ones for hospitals, schools, parks, and other purposes. Deprived of a formal education, much of his energy and funds went to schools, both public and private. It was as a result of his interest and that of others that Texas Technological College was established at Lubbock. He received the first honorary degree given by that institution. He also was a heavy contributor to Texas Christian University here.

Carter was a recipient of numerous honors. He was called "range rider of the air" for his contributions to aviation; "west Texas' top cowhand" for his support of that area, and the legislature appointed him "ambassador of good will" for the State. He was an official of several major companies.

In politics, Carter was an independent Democrat but supported Eisenhower for President.

He was a close friend of Franklin D. Roosevelt and once, when the late President passed through Bowie, Carter sold him a chicken sandwich for a dime—just as Carter had done to travelers when he was a youth.

Probably his best-known friendship was for Will Rogers, the humorist who was killed in a plane crash in Alaska in August 1935. Carter always kept a light burning, day and night, over Rogers' photo on Carter's desk.

Carter, then owner of an advertising firm, formed the Fort Worth Star, February 1, 1906, with D. C. McCaleb and A. G. Dawson. Thirty-five months later, Carter, with the aid of Col. Paul Waples, negotiated the purchase of the opposition Telegram. In 1925, the Star-Telegram purchased the Record, owned by William Randolph Hearst, and entered the morning field for the first time.

Carter and other Star-Telegram owners established radio station WBAP and WBAP-TV.

Although internationally known, Carter's greatest fame in his home State of Texas probably stemmed from the old Fort Worth-Dallas feuds which remain to this day.

But even in Dallas he was widely known and greatly admired.

Former Vice President John Nance Garner, the "Cactus Jack" of the early Franklin D. Roosevelt era, once said of the tall, husky, and handsome Carter:

"Amon Carter wants the Government of the United States run for the exclusive benefit of Fort Worth and, if possible, to the detriment of Dallas."

But the Dallas Morning News, on its front page, said today:

"Actually, through his aggressiveness for his beloved Fort Worth, Carter was a great stimulant to Dallas businessmen."

In 1939 the News said Carter had been made a honorary citizen of Dallas because "he punched Dallas like cowboys are wont to do slow steers in a shipping chute."

He had worked with Dallas civic leaders on a plan to make the Trinity River navigable from the Gulf of Mexico to Fort Worth.

He served as a director of the West Texas Chamber of Commerce, director of the Southwestern Exposition and Fat Stock Show, chairman of the first board of Texas Tech, a school for whose founding the Star-Telegram campaigned, and president of the Fort Worth Chamber of Commerce.

A Fort Worth high school, the Fort Worth airport terminal, and a stadium bear his name. He was highly instrumental in the building of Fort Worth's Will Rogers Memorial Coliseum, the Municipal Auditorium, the Texas Hotel, the Fort Worth YMCA, and Texas Christian University's stadium.

In 1936, when Texas celebrated its centennial, the State exposition was held in Dallas. But not to be outdone, Carter hired Billy Rose for a 100-day stint at $1,000 per day and put on a frontier celebration at the same time. The slogan at the Fort Worth show was:

"Dallas for education, Fort Worth for entertainment."

Billy Rose put on musicals at the Casa Manana, paraded beautiful show girls to music from the orchestra of Paul Whiteman. And not all the money spent on "going to the centennial" was spent in Dallas, to put it mildly.

Always the Texan, always a standout, his long polo coat and big western hat became trademarks and probably as much as any man ever will, he became and until his death remained "Mr. Texas" to the Nation.

Praise came for Carter from all sides today, from lonely ranch homes on the west Texas prairies and from marble halls in Washington.

Representative JAMES C. WRIGHT of Weatherford, Carter's Congressman, summed it up well:

His death, said WRIGHT, "leaves a void which no other person can quite fill. He was one of a very few truly great Americans.

"He has been the prime moving spirit in the growth and development of our region and an inspiration to many of us who have shared vicariously in his many great accomplishments.

"Fort Worth and all of Texas were the beneficiaries of his life; all are the losers in his death."

Survivors other than his son include his wife, Mrs. Minne Meacham Carter; daughter, Mrs. J. Lee Johnson III, the daughter of Mrs. Burton Carter, of Fort Worth; a sister, Mrs. Addie Brooks, Covington, Ky.; three half brothers—Roy E. Carter, Kermit; Grady Carter, San Antonio; and Ralph Carter, Houston—and five grandchildren. Mrs. Hugo Speck, a daughter of his marriage to Mrs. Zetta Thomas Carter, now of Chicago, died in Dallas, September 1, 1952.

Mr. DANIEL. Mr. President, the earthly life of this great American is ended, but his memory will continue to remind others of the opportunities which this country affords and the responsibilities which we owe to our communities, our country, and our fellow men.

Also, Mr. President, I ask that the following representative editorials be included in the body of the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Dallas Morning News of June 25, 1955]

AMON CARTER

To a much greater degree than can be ascribed to more than a very few men in a very few places, Amon Carter was responsible for the development of Fort Worth. By the time of his death Thursday, the city had grown to be too big to be only the enlargement of a single man, but for many, many years before the city attained full size, there was more truth than humor in terming our Dallas neighbor Cartersville.

From 1909, when two newspapers were combined, as the Fort Worth Star-Telegram's directing genius, Carter devoted almost his entire thought and energy to making Fort Worth see itself as a metropolitan rival of larger Dallas. He used the influence of his newspaper to that singleness of purpose. He may have liked power for itself but it is more probable that he saw it as a tool to develop his city. Certainly he used power—political, financial, journalistic—to achieve that result. Fort Worth has come a long way under the tremendous incentive that Amon Carter imparted to it. Today's Fort Worth is his lengthening shadow.

While Amon Carter's objective was city building, he saw clearly that this did not require personal service in public office but his journalistic leadership. In building a great Fort Worth, he proved himself simultaneously an able and successful publisher. When William Randolph Hearst bought the Fort Worth Record and invaded Carter's territory, the latter had already made his position secure for a newspaper battle. A Hearst newspaper took one of the chain's few defeats, ultimately disposing of the Record to the Star-Telegram. Carter fought Hearst as resolutely as he had fought for Fort Worth. That he had done the latter was the basis of his victory over Hearst.

Had Dallas fought Fort Worth as Carter fought Dallas, the results might have been different. Doubtless Carter recognized, as Dallas has always done, that there is ample room for two great cities on the Trinity within a few miles of each other. But Carter could only impart his own vision to his city by making Dallas the whipping boy of its ambition.

Amon Carter has written a remarkable and unique chapter both in Texas journalism and Texas city building. Fort Worth is his monument.

Texas and Texans will miss him.

[From the Big Spring (Tex.) Herald of June 24, 1955]

WEST TEXAS LOSES A GOOD FRIEND

Texas—and west Texas in particular—has lost one of its most distinguished and useful citizen in the death of Amon Giles Carter, Fort Worth publisher, oilman, philanthropist.

Many people came to consider Fort Worth and Amon G. Carter synonymous, and well they might. His list of promotions and benefactions in his home city are almost endless. Several institutions bore his name in testimony of his leadership and generosity.

There were two sides to Amon Carter—one the colorful showman who loved to do the dramatic and who undeniably basked in the limelight; the other a man who sincerely believed in his community and State and who gave back to them far, far more than he ever received from them.

More than most people realize, Amon Carter was one means by which national attention was focused more and more upon Texas. This was achieved in part by his ability to attract people of national prominence into Texas and Fort Worth; by his boldness in promotion, such as the fabulous Casa Manana during the centennial days; by his vision in many fields such as in the field of air passenger service.

These were some of the things which made news and which put the spotlight of public attention upon him. However, long after these things are forgotten, the deeper contributions of the man will stand as evidence to his fierce pride and big heart toward a city and region he loved. Amon Carter was given the trust of great wealth and power in his day, and when the wheat is shaken from the chaff, it is certain that he made wise use of them for his fellow man.

[From the New York Herald Tribune of June 25, 1955]

AMON G. CARTER

They called him "Mr. Fort Worth," because of his loyalty to the city where most of his adult life was spent—and the name was not unfitting. He represented the successful striving, the pride of locality, the hospitality, and the zest of a great and growing city.

Both Amon G. Carter and Fort Worth could tell of small beginnings and great achievements. The man swept floors and washed dishes in a boardinghouse at 12 and controlled large newspaper and business interests before he was 50. The city numbered 30,000 in 1923 and 300,000 30 years later. They grew together—Texas style—with an appreciation of broad horizons, or natural wealth that needed only courage and hard work to make it productive, or keen, tough competition among men and cities alike.

It would take much space to list the activities and accomplishments of Amon Carter—the Star-Telegram which he built up, the encouragement he gave to aviation, the Texas Technological College he helped to found, his charities, and his untiring efforts on behalf of Texas and Fort Worth. It is enough to say that it is a very American story, with just that added sweep and gusto that Texas has added to the saga of the States. The country—and the Southwest in particular—has lost one of its most impressive and colorful figures. But Amon G. Carter's monuments are everywhere in the city and State he loved and served so well.

[From the Houston Post]

AMON CARTER—"MR. FORT WORTH"

No one in the last quarter century wielded a greater influence in the affairs of west Texas than Amon G. Carter. He was the mainspring of Fort Worth's great development and, to a great extent, west Texas, since the early 1920's.

His newspapers, the morning and evening Star-Telegram, blanketed a farflung area from the Panhandle down through and beyond the South Plains, and from the Trinity Valley to the New Mexico line, molding public opinion throughout. In the history of that section his stature looms gigantic.

Amon Carter's influence extended even beyond the borders of Texas—all the way to Washington. He was on intimately friendly terms with the great and the near great. Few notables visited Fort Worth without calling upon Mr. Carter. Many of these friends also became friends of public endeavors which he advocated for Fort Worth and west Texas—war industries, hospitals, schools, Federal buildings, an international airport, railroad terminals, and so on.

The Carter influence was felt in most of the major economic and cultural developments in Fort Worth. At one time or another he headed virtually every important civic activity. He gave not only of his energy and leadership, but of his means. He made probably more money in the oil business than from his newspapers. The sale of part of the vast Wasson pool in 1947 brought him $16½ million. This went into a foundation, through which he contributed generously to many causes.

Born in a log cabin in Wise County 75 years ago, Mr. Carter's early life was one of hard struggles. Thus he had the "common touch"—and he never lost it. It was one of the secrets of his success.

Innumerable honors came to Amon Carter in recognition of his good works. Perhaps the most distinguished and most fitting of them all was the unofficial title—"Mr. Fort Worth."

[From the New York Journal-American of June 25, 1955]

AMON CARTER, AN AMERICAN PIONEER

A fellow who knew Amon Carter, Mr. Fort Worth, for 25 years, must feel bad that he is gone. He was a real American. One of the tough-fibered, never back-up, or give-up, sort that has been so important in the history of the country.

Not a pioneer of the type of Dan Boone, Kit Carson and the widely sung Davy Crockett, of course, Amon was a true pioneer, nevertheless.

A builder of the country, making the mistakes and blunders common to all men, but forever seeing a bright and wonderful future ahead and building toward it with foresight, hope, and almost unbelievable energy.

Born bone-poor in the land of the cowpony, where ponies came cheap, he never was affluent enough to have a horse to ride until he was a grown man.

Without formal education, or ever much of any, except the kind he picked up with his native sense, he was yet, years later, one of the first to see that the airplane was the transportation of the future, and he lived to see that future become today.

Once, not many years after World War I, he said to me about planes: "They get you there faster and when you're going somewhere, the way to get there is fast."

But it is not for such things as that, that I'll remember Amon. I'll remember him as a friend. As a generous-hearted friend, who, liking you, got pleasure from doing a favor in a quick, generous, and open-handed way.

Such as this one, which came before he hit the big jackpot under the ground that cured him of financial troubles, of which, too, for a lot of years, he had his full share.

There were years, and many of them, when he must have been able to pick a dry-hole oil well more unerringly than any man in all of Texas.

WITH AMON, NO QUIBBLE

There was a cartoonist here in New York, and a good one, who had run into more bad luck of various kinds than as nice a fellow as he was deserved to have.

This man came to see me one day, sick and despondent. He was taking a bus to California, he said, but he doubted that things would be better for him when he got there.

"Must it be California?" I asked him.

"Where else?" he asked me, "at least it's warm out there."

"I was thinking about a friend of mine in Texas," I told him. "Would you give it a hard hustle, if I could get you a job on his newspaper?"

"Yes, if you can get me the job," he replied, "but you won't."

I called Amon at the Fort Worth Star-Telegram and told him briefly the tale. There was no quibbling on his part. No story about the paper being oversupplied with cartoonists. No questions of the fellow's habits, or his looks, or beliefs, or anything at all.

"You say he's good, Bill?" he asked.

"One of the best for sure," I told him.

"When'll he be here?"

"Four or five days from now, I guess."

"Tell him to see me personally, and if I don't happen to be here, to wait until he can. Tell me his name again, and how it's spelled."

A few years later I was in Dallas and heard the rest of the story. The man walked into Carter's office and got a welcome so warm that he felt at home even before he sat down before the publisher's desk.

"You went on the payroll last Monday at X dollars a week. Do you think that's fair for a beginning?" asked Amon.

The man gulped and nodded; not perhaps that the salary was munificent but that it was there. He was an artist with a job again.

"O. K.," said Carter, "now I'll show you your office."

He led him into a pleasant sunny office on which, by some chance, the man's name had been painted on the glazed glass of the door.

The big winner, of course, was the man who that day began a bright and successful new career. He was that day a top member of the Star-Telegram staff. But Amon lost nothing, either.

On the contrary, he wound up with a great cartoonist, who proved to be a star for his newspaper. A paper for which, incidentally, he never ceased to be the top advertising salesman.

But the credo of living was what always intrigued me—that a friend of his was going to be all right with him. You don't find so many of those.

And so I'm sad that he's gone. It would be very hard for anybody to say, I think, that he wasn't quite a man in quite a State of quite a country.

If they walk and talk big in Texas, the jokes notwithstanding, it shouldn't be overlooked that they do pretty big, too.

AMON WAS TEXAS, ALL OVER

Amon Carter was one of them. He was Texas all over. So typical, indeed, that in the dark of night in Timbuctoo, one would have had to say: "Here comes Carter, here comes Texas."

I don't think that's bad. I think it's great.

I believe Amon Carter was in his time, by his lights and by his opportunities, an outstanding American citizen. I know he was a good American. I know that he was a good friend.

He worked like six Trojans to accomplish the things that he accomplished. He also had fun in sports with his beloved Horned Frogs and Dutch Meyer of TCU, Sammy Baugh, Davey O'Brien, Ky Aldrich, Fort Worth baseball, golf tournaments, racing, and the rest.

It was nice that he had that fun.

At 75, he had walked a full beat. He was a gentleman to have known. I'm glad I knew him pretty well. Because, as a fellow gets older, pleasant memories are nice to have.

SILLIMAN EVANS

Mr. KEFAUVER. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. KEFAUVER. I wish to join with the junior Senator from Texas in paying high tribute to Mr. Carter. It was my pleasure to have known him for a number of years. He was a great citizen not only of Texas, but also of the Nation, and was one of the outstanding newspapermen of our time.

I call the attention of the Senate to the fact that he was a backer and sponsor of Mr. Silliman Evans, who became the publisher and president of the Nashville Tennessean. Mr. Evans went to Texas to attend the funeral services of his old friend and associate, Mr. Amon G. Carter, and the following morning Mr. Evans himself passed away while in Fort Worth.

Thus the Nation has lost two of its outstanding men in the newspaper field, and the South has lost two men who have fought valiantly for the economic and social development of our section.

PAN AMERICAN AIRLINES' 50,000TH FLIGHT ACROSS THE ATLANTIC

Mr. MONRONEY. Mr. President, with the departure of a Pan American DC–7B from Idlewild Field, New York City, at 5 p. m. this afternoon, Pan American Airlines will be making its 50,000th flight across the Atlantic.

The first flight was made 16 years ago, and since that time the airline has carried 2,021,483 passengers a total distance of 200 million miles across the ocean.

The captain of the first flight was Harold E. Gray, now executive vice president of Pan American.

During the 16 years, the airline has run up an impressive total of 24,540,000 pounds of airmail, the equivalent of 552 million letters. More than 35,275,394 pounds of cargo have been carried by air across the Atlantic. This would total more weight than 11,700 modern automobiles weigh. The categories of freight airlifted range from heavy machinery weighing more than a ton to dresses fresh from the showrooms of the Paris designers and weighing only ounces.

It is interesting to note that for 2 years before that first flight, 16 years ago, Pan American conducted survey flights, and collected all possible data to guide them in their operations. For 5 years before the first flight, expeditions had been conducted in the Arctic to compile the necessary information on Atlantic weather, communications problems, and flying conditions.

The visit of King George VI and his Queen had just been completed, and the World's Fair was in full swing in New York, when Pan American's flying boat, the *Yankee Clipper*, cut through the waters of Long Island Sound near Port Washington for its flight to Southampton, England.

Once a week the 42-ton flying boat, weighing only a little more than half the weight of modern clippers, followed the northern route to Europe. It had a speed of only 140 miles an hour, and often required more than 24 hours to make the trip to Europe. The route went via Botwood, Newfoundland, and Foynes, Ireland, to Southampton. Each week the sister ship, the *Dixie Clipper*, flew the mid-Atlantic route through Bermuda, Horta in the Azores, Lisbon, Portugal, to Marseilles in France.

Often flights were long delayed because of high seas. Ice often held up flights in New York, and sometimes three-foot swells at the Azores could delay flights for days. With the war came intermediate landing fields, and the line changed over to landplanes.

The DC–4's came on the line in 1945, but as they were unpressurized, their altitude was limited to 10,000 feet. With the Constellation in 1946 came the first flights above weather, as the pressurized cabins permitted this new and safer service. This was followed in 1949 by the Boeing Stratocruiser, a double-deck, all-sleeper plane, with horsepower rated at 3,500 per engine.

With new planes, including the Super-Stratocruiser, the Douglas DC–6B, and now the DC–7B, flying time has gone from the 140-mile-per-hour speed to 353 miles per hour. Instead of 24 hours required to reach London, the flying time today is only 11 hours. Within sight of early delivery is the new Douglas DC–7C, which will have a flight range of 5,000 miles.

The pioneers in transatlantic flying paid off big dividends during World War II, when experience, training, and weather knowledge made it possible for the United States to maintain close contacts with Europe by air. Among the famous persons flying to Europe by Pan American during the war was President Franklin D. Roosevelt, who flew to the Casablanca conference in 1943, marking the first time that a President had flown while in office. Others included Gen. Dwight D. Eisenhower, Gen. George C. Marshall, Queen Wilhelmina of the Netherlands, and many other notable persons.

The airlift of cargos was vital, too, and often dangerous. Under PAA's contract with the Air Transport Command, loaded shell fuses reached General Montgomery's troops at the critical moment before the battle of El Alamein.

Technically, the pilots say, progress has been made little by little during the past 16 years. The "least time track" has served to take advantage of the path having the most favorable tailwinds, so that in 1949 a record was set for New York to London nonstop of only 8 hours, 55 minutes.

Pressurized airplanes have made possible greater safety by flying over the weather, and have added much to passenger comfort as well. Radiophone has replaced the laborious dot-and-dash method. Navigation was greatly improved by the addition of the loran gear, a method of locating planes more accurately while in flight, and improvements have been made in octants and in the installation of radio altimeters.

Longer-range airplanes gave pilots more choices of alternates, and higher octane fuel provided more power for engines and lower fuel consumption. Supercharging and the use of power-recovery devices again improved performance. Bad weather landings were made safer by radar at airports. The logical outgrowth of ground radar is airborne radar, now just coming into use.

In addition to the improvement of flight techniques, additional services and travel plans have continued to build up a demand for transatlantic service. First came the off-season rates put into effect in the winter of 1947 to smooth out offseason peaks. Next came the inauguration in May 1952 of two-class service, and the inauguration of tourist trips at a 25-percent reduction in cost. Business increased some 69 percent in this innovation of lower cost fares. Other plans may lower present costs, with a projected family plan being readied for next fall.

While the service of transatlantic flying looms large in the international travel picture, we must never overlook its importance in keeping alive air transport that can be useful for our defense of the great Atlantic community. The long-range, four-engine fleet could deliver to Europe a total of 7,600 troops a day in case of need.

ADJOURNMENT

The VICE PRESIDENT. What is the pleasure of the Senate?

Mr. MONRONEY. Mr. President, pursuant to the order previously entered, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 1 minute p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Wednesday, June 29, 1955, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 28 (legislative day of June 27), 1955:

HOME LOAN BANK BOARD

William J. Hallahan, of Maryland, to be a member of the Home Loan Bank Board for a term of 4 years expiring June 30, 1959.

IN THE ARMY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947:

To be general

Gen. Matthew Bunker Ridgway, O5264, Army of the United States (major general, U. S. Army).

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 28, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the great companion of our hearts and the counselor of our minds, Thy eternal truth is our light and Thy spirit of love the bond of unity among men and nations.

We penitently acknowledge that in these dark and perilous days the hope of establishing peace on earth seems at times so remote and unreal.